

U. S. DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE

Social Security Administration

# *Social Security Bulletin*



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**Volume 21**

**Number 8**

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**Trends in Workmen's Compensation: Coverage,  
Benefits, and Costs**

**Income of OASI Beneficiaries: Highlights From  
Preliminary Data, 1957 Survey**

THE SOCIAL SECURITY BULLETIN is the official monthly publication of the Social Security Administration. Calendar-year data for each year 1939-48 were published in the SOCIAL SECURITY YEARBOOKS and, beginning with data for 1949, in the ANNUAL STATISTICAL SUPPLEMENTS to the BULLETIN. (The SUPPLEMENTS with data for each year 1949-54 were included in the September BULLETIN, 1950-55; beginning with 1955 data, the SUPPLEMENT is a separate publication.) Statements in BULLETIN articles do not necessarily reflect official policies of the Social Security Administration.

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## U. S. DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE

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# Social Security in Review

## Secretary of Health, Education, and Welfare

**A**RTHUR S. FLEMMING was sworn in as Secretary of Health, Education, and Welfare on August 1, 1958, and became the third person to head the Department. He succeeded Marion B. Folsom, who resigned to return to private life. Mr. Flemming left the presidency of Ohio Wesleyan University, to which he had been appointed in 1948, to take the Cabinet position.

Mr. Flemming has served the Government in many capacities. From 1939 to 1948 he was a member of the Civil Service Commission, and he has held posts in the Office of Production Management, the Navy Department, the War Manpower Commission, the Labor Department, the Atomic Energy Commission, and the Hoover Commission. He returned to Ohio Wesleyan in 1957, after serving as Director of the Office of Defense Mobilization.

## OASI Beneficiary Survey, 1957

The findings of a national sample survey of old-age and survivors insurance beneficiaries, conducted by the Bureau of Old-Age and Survivors Insurance in the fall of 1957, are now becoming available. Highlights from the first preliminary tabulations of data relating to the money income of beneficiaries (as released to the press July 10) are presented on pages 17-23 of this issue of the BULLETIN. Information will be available later on the net worth of beneficiaries at the end of 1957, on their availability for and attitudes toward employment, and on their medical care costs during the year.

This is the second nationwide cross-section survey of the characteristics

and the economic resources of beneficiaries. The first survey, conducted by the Bureau in the fall of 1951, covered retired workers and the aged widows of workers insured under the program. The 1957 survey covered, in addition, children receiving survivor benefits and their widowed mothers. Plans are now being developed for a retirement-history study that will shed light on changes in the resources, the living arrangements, and the health status of retired workers and aged widows during the 10 or 12 years following their entitlement to insurance benefits.

The 1951 income position of aged beneficiaries (who experienced no benefit suspensions during the survey year) was described in the BULLETIN

for June 1953, and an evaluation of their economic situation was presented in the April 1954 issue. Until more detailed tabulations for 1957 have been prepared and the interrelationships analyzed, it is not possible to appraise the changes in beneficiary income that took place between 1951 and 1957.

It is clear, however, that old-age and survivors insurance benefits were the principal means of support for large numbers of aged persons in 1957, as they had been in 1951, and that there was a substantial increase in the average total money income of beneficiaries—well in excess of the 8.3-percent price rise during the 6 years.

The median money income of \$2,190

	May 1958	April 1958	May 1957
<b>Old-age, survivors, and disability insurance:</b>			
Monthly benefits in current-payment status:			
Number (in thousands) .....	11,759	11,628	10,176
Amount (in millions) .....	\$650	\$641	\$545
Average old-age benefit (retired worker) ....	\$65.54	\$65.41	\$63.91
Average old-age benefit awarded in month ....	\$72.87	\$73.75	\$65.35
<b>Public assistance:</b>			
Recipients (in thousands):			
Old-age assistance .....	2,464	2,466	2,506
Aid to dependent children (total) .....	2,721	2,688	2,393
Aid to the blind .....	108	108	108
Aid to the permanently and totally disabled ..	310	305	282
General assistance (cases) .....	432	454	309
Average payments:			
Old-age assistance .....	\$61.41	\$61.24	\$58.56
Aid to dependent children (per recipient) ..	27.29	27.33	26.11
Aid to the blind .....	66.55	66.65	63.82
Aid to the permanently and totally disabled ..	60.43	60.61	59.24
General assistance (per case) .....	61.24	61.11	55.93
<b>Unemployment insurance:</b>			
Initial claims (in thousands) .....	1,538	1,983	1,001
Beneficiaries, weekly average (in thousands) ..	2,732	2,967	1,199
Benefits paid (in millions) .....	\$364	\$404	\$146
Average weekly payment for total unemployment .....	\$30.80	\$30.88	\$27.47



from all sources in 1957 for retired couples with both husband and wife receiving benefits compares with \$1,470 in 1951, and the median of \$880 for aged widows in 1957 with \$620 in 1951. In 1957, as in 1951, nearly one-fifth of the retired couples had no money income other than their benefit or less than \$75 during the year. One-fourth of the aged widows in both studies reported their benefit as their sole source of money income. At the other extreme, the relative number of retired couples with \$1,500 or more in addition to their benefits increased from one-fifth to one-third, and the proportion of aged widows with \$900 or more besides their benefit rose from one-eighth to one-fifth.

### Program Operations

Monthly benefits totaling approximately \$649.7 million were being paid under the old-age, survivors, and disability insurance program at the end of May to almost 11.8 million persons. The number of beneficiaries rose 130,000 during the month. Although the increase was less than that of the preceding month, May was the fourth consecutive month in which the rise exceeded 100,000.

At the end of May, old-age, wife's, husband's, widow's, widower's, and parent's benefits were going to almost 9.6 million men aged 65 or over and women aged 62 and over—about 1.2 million more than in May 1957. Retired workers made up 68 percent of

all aged beneficiaries; their average monthly benefit of \$65.54 was \$1.63 higher than the average a year earlier. Persons receiving wife's or husband's benefits represented 19 percent of the aged group; those receiving widow's or widower's benefits, 12 percent; and those receiving parent's benefits, less than one-half of 1 percent.

About 1,362,000 orphaned children and 195,000 children of old-age beneficiaries were receiving monthly child's benefits at the end of May (including child's benefits being paid to disabled persons aged 18 or over whose disability began before age 18). Almost 90,000 wives (under age 65 and with child beneficiaries in their care) of old-age beneficiaries and 340,000 mothers of orphaned child beneficiaries also were receiving monthly benefits. Monthly disability insurance benefits were being paid to 195,000 disabled workers aged 50-64 at an average monthly rate of \$74.22.

Monthly benefit awards continued at a high level in May and totaled 222,000—49,000 less than in April but more than in any other month since July 1957. Lump-sum death payments totaling \$12.9 million were awarded in May to 66,800 persons. More than 1 million monthly benefits and three-tenths of a million lump-sum payments have been awarded since the beginning of 1958.

● The total number of persons aided

under the five public assistance programs decreased in May for the first time in 10 months. It is estimated that 6.8 million persons were on the rolls in May—roughly 50,000 fewer than in April. The most important factor in the decline in the overall total was the drop of 93,000 or 7.1 percent in the number of persons receiving general assistance. The decrease in that program reflected, to a large extent, improvement in economic conditions. The slightly downward trend in the number of persons receiving old-age assistance continued, but the decline of 1,600 or 0.1 percent was the smallest in 7 months.

The upward movement in the number of persons receiving payments under the program of aid to dependent children continued, with an increase of 33,100 or 1.2 percent. This rise, however, was considerably less than the monthly average increase of 46,300 in the preceding 5 months. In aid to the permanently and totally disabled the increase in the number of recipients was 4,600 or 1.5 percent, and in aid to the blind 200 more persons received aid than in April.

Caseload changes in most of the States paralleled those in the national totals. The greatest relative changes occurred, as usual, in general assistance. About a fourth of the States experienced decreases of more than 10 percent in the number of cases. The largest increase, by far, was that in West Virginia, where the

	May 1958	April 1958	May 1957	Calendar 1957	year 1956
Civilian labor force, <sup>1 2</sup> total (in thousands) .....	68,965	68,027	67,893	67,946	67,530
Employed .....	64,061	62,907	65,178	65,011	64,979
Unemployed .....	4,904	5,120	2,715	2,936	2,551
Personal income (in billions, total seasonally adjusted at annual rates) <sup>1 3</sup> .....	\$344.3	\$343.1	\$343.2	\$343.4	\$326.9
Wage and salary disbursements .....	233.9	233.2	238.3	238.8	227.2
Proprietors' income .....	41.3	41.2	40.7	40.8	39.6
Personal interest income, dividends, and rental income .....	42.0	42.0	41.6	41.4	39.8
Social insurance and related payments .....	20.5	20.0	16.3	15.9	13.5
Public assistance .....	3.1	3.0	2.7	2.8	2.6
Other .....	10.2	10.4	10.3	10.4	9.9
Less: Personal contributions for social insurance .....	6.8	6.7	6.8	6.8	5.7
Consumer price index, <sup>1 4</sup> all items .....	123.6	123.5	119.6	120.2	116.2
Food .....	121.6	121.6	114.6	115.4	111.7
Medical care .....	143.7	142.7	137.3	138.0	132.6

<sup>1</sup> Data relate to continental United States, except that personal income includes pay of Federal personnel stationed abroad.

<sup>2</sup> Bureau of the Census. Beginning with 1957 data, two relatively small groups of persons formerly classified as employed ("with a job but not at work") are assigned to different classifications, mostly to the unemployed. The change in definitions lowers the employment estimates by about 200,000—

300,000 a month for recent years and raises unemployment estimates by almost the same amount.

<sup>3</sup> Data from the Office of Business Economics, Department of Commerce. Components differ from those published by the Department, since they have been regrouped; for definitions, see the *Annual Statistical Supplement, 1956*, page 11, table 1.

<sup>4</sup> Bureau of Labor Statistics.



number of general assistance cases rose 27.3 percent. In that State the increase reflected the continuing effect of a liberalization in April of policies governing eligibility for assistance. This liberalization authorized assistance to meet the emergency needs of employable persons and was made possible by an additional State appropriation of \$100,000.

In aid to the permanently and totally disabled the largest increases in the number of recipients were concentrated as in other recent months in California (351), Illinois (1,124), and Texas (426). In general, State changes in the number of recipients were relatively small for each of the special types of public assistance.

For the five programs combined, total payments (including vendor payments for medical care) rose \$456,000 or 0.2 percent to \$285.7 million. Expenditures for aid to dependent children increased \$809,000 or 1.1 percent, and payments for each of the other special types of public assistance rose by a smaller amount. In general assistance, total payments (excluding vendor payments for medical care) declined \$1,271,000 or 4.6 percent.

For the country as a whole the average assistance payment under each program changed only slightly from April to May. In several States, changes in average payments for the special types of public assistance reflected changes in the average amounts of vendor payments for medical care. In Maryland, for example, the initiation of vendor payments for medical care was largely responsible for the fairly sizable increases in average payments. Vendor payments for medical care in behalf of recipients of the special types of public assistance in Arkansas were considerably larger in May than in April, and food allowances were raised by \$4 in old-age assistance and aid to the blind. The State's average payment per recipient increased \$5.35 in old-age assistance, \$0.99 in aid to dependent children, \$4.42 in aid to

the blind, and \$3.72 in aid to the permanently and totally disabled. Missouri, to conserve funds, applied a 7-percent reduction in payments to families receiving aid to dependent children. The average payment per family dropped \$6.19, and the average payment per recipient declined \$1.66.

Substantial changes in average payments were more frequent in general assistance than in the special types of public assistance. The changes in that program ranged from a decrease of \$8.23 per case in Colorado to an increase of \$7.61 per case in Michigan

- More than 1.5 million workers covered by the State unemployment insurance programs and the program of unemployment compensation for Federal workers became newly unemployed during May and filed initial claims for benefits. The total was 22 percent less than that in April but 54 percent more than that in May 1957. Expansion in outdoor employment was primarily responsible for lowering by 10 percent the number of insured jobless workers, to a weekly average of slightly less than 3 million. This average was, however, 121 percent higher than that a year earlier.

In an average week, 2.7 million unemployed workers received benefit checks—8 percent fewer than in April and 128 percent more than in May 1957. Although benefits, totaling \$363.6 million, were 10 percent less than the amount paid in April, they were 150 percent more than the total a year earlier. The number of claimants exhausting benefit rights continued to rise, increasing 2 percent from the April total and 122 percent from that in May 1957 to 237,000. The average check paid in May for total unemployment was \$30.80.

### Consultants' Report on BOASI

The group of business executives appointed in 1957 by the Secretary of Health, Education, and Welfare to

survey the operations of the Bureau of Old-Age and Survivors Insurance submitted its report on June 20, 1958. The group, headed by Reinhard A. Hohauser, vice president and chief actuary of the Metropolitan Life Insurance Company, limited its study largely to the "two major areas indicated by the Secretary—electronic data processing and the operations in the field directly affecting the public, with the greatest emphasis placed on the possibilities arising from appropriate uses of new electronic machines."

The consultants listed some general impressions concerning the administration of the program. They found that the Bureau is "carrying out its mission in a sound and vigorous manner," and they commented on the "effective and competent manner in which the staff . . . appeared to be managing their responsibilities" and on the "impression of both efficiency and friendliness created by the typical OASI district office."

In addition to a number of specific changes in the Bureau's procedures, the consultants made six recommendations "of major scope": (1) Placing of more emphasis on central planning to ensure a continuing evaluation of methods and procedures from the perspective of the total Bureau job; (2) review of work processes and organizational assignments from the point of view of integrated data processing; (3) research in and development of special electronic equipment and strengthening of intergovernmental organizations now providing a clearinghouse service for information in this area; (4) transfer of the check-writing function associated with benefit payments from the Treasury Department to the Bureau; (5) adoption of the proposal for combined annual reporting for income-tax and old-age, survivors, and disability insurance purposes; and (6) obtaining of expert advice and assistance, as needed, from available organizations, government or private.

# Trends in Workmen's Compensation: Coverage, Benefits, and Costs

by ALFRED M. SKOLNIK\*

*This year marks the fiftieth anniversary of the passage of the first effective workmen's compensation law in the United States—the Federal Act of 1908. The act, although providing only limited benefits for certain Federal employees engaged in hazardous work, served as a precedent for State action. Today such laws are in effect in all the States. This anniversary is an appropriate time to take stock of recent trends in the Federal and State programs and to measure their accomplishments.*

ANY attempt to evaluate the insurance aspects of workmen's compensation programs in the United States sooner or later runs into the problem of securing comparative State and nationwide data on coverage, benefits, and costs. Workmen's compensation legislation, which is designed to compensate occupationally injured workers and their families for wage loss and medical expenses, regardless of fault or blame, has developed on a State-by-State basis. In addition to the 48 State laws, there are Federal acts covering civilian employees of the Federal Government, private employees in the District of Columbia, and longshoremen and harbor workers. The laws differ materially in the scope of coverage, benefit provisions, administrative and legal procedures, and, most importantly, in the methods used to assure that compensation will be paid when due.

Employers in most States are required either to carry insurance against work accidents with private insurance companies that are approved by the State insurance department or to give proof of ability to carry their own risk (self-insurance). In seven States, however, they must insure with an "exclusive" State insurance fund (in two of the seven, they may instead self-insure), and in 11 there is a State fund that is "competitive" with private insurance carriers. Federal employees are provided

protection through a federally financed and operated system.

For many years the Division of Program Research has recognized the need for gathering nationwide data on the experience and operations of the workmen's compensation programs. As early as 1942, methods were devised to estimate the amount of benefit payments made under each of the State and Federal programs.<sup>1</sup> Since then, annual estimates of benefit payments have been published in the SOCIAL SECURITY BULLETIN (for recent years, in the December issue). In 1950 the Division developed a methodology for estimating coverage, which was published in the BULLETIN along with available data on program operations.<sup>2</sup> In 1954, these research efforts were expanded to obtain cost estimates and to develop further measures of the scope and adequacy of the program, including a one-time estimate of the number of beneficiaries drawing workmen's compensation payments.<sup>3</sup> Many of these yardsticks have now been incorporated in the annual series published in the BULLETIN.

The present article, in addition to reappraising and refining previous estimating procedures, brings up to

date the statistics for the various measures used in evaluating the program. It also consolidates in continuous series, going back in most cases to 1948, the data on the number of workers and amount of payroll covered by workmen's compensation, the amount of benefits paid, the relationship of benefits to payroll and wage loss and of premium costs to payroll, the loss ratios and expense ratios, and the administrative costs of the State agencies.

## Coverage

### Methodology

In estimating coverage under workmen's compensation programs, it is desirable to have a measure of coverage that is comparable with that used for other social insurance programs, such as unemployment insurance and old-age, survivors, and disability insurance. Under the latter programs, coverage is generally presented in terms of the number of workers in covered employment at a particular point in time (usually, the pay period ending nearest the fifteenth of the month). Average monthly employment is obtained by averaging the monthly figures reported in the calendar year. Such employment data—as well as payroll data—are relatively easy to obtain as a byproduct of the operational data needed for the collection of contributions and the payment of benefits.

Comparable data for the State workmen's compensation programs are much more difficult to obtain. In the majority of the States the risk of work injury is underwritten by private commercial carriers or is self-insured by the employer, and hence most State governments do not obtain employer reports on covered employment or payrolls except when a State insurance fund is actually underwriting the risk.

The Division of Program Research has developed over the years, however, a method of estimating coverage

<sup>1</sup> Michalina M. Libman, "Workmen's Compensation Benefits in the United States, 1939 and 1940," *Social Security Bulletin*, January 1942.

<sup>2</sup> Dorothy McCamman, "Workmen's Compensation: Coverage, Premiums, and Payments," *Social Security Bulletin*, July 1950.

<sup>3</sup> Dorothy McCamman and Alfred M. Skolnik, "Workmen's Compensation: Measures of Accomplishment," *Social Security Bulletin*, March 1954.

\* Division of Program Research, Office of the Commissioner. The material was prepared with the technical assistance of Thomas Karter, of the Division of Program Research.

by building up in each State a covered workmen's compensation payroll figure from various sources. This figure is then translated into an estimate of the number of workers covered in an average month by using the relationship between payrolls and average monthly employment under the State unemployment insurance program. Use of this conversion method yields a coverage estimate that is on the same basis as the coverage figure for the unemployment insurance program.

Because of the time required to gather the material, the estimates have been made only for specific benchmark years—1940, 1946, and, now, 1953. The year 1953 is the latest full calendar year for which the private carrier payroll estimates could be computed for all States. This time lag is inevitable since the data obtained are based on policy-year experience that extends into succeeding calendar years and cannot be fully evaluated until 2 or 3 years after the end of the policy year.

Nevertheless, the benchmark data serve a valuable purpose in providing a basis for estimating coverage in the intervening and succeeding years. For each State the estimated average monthly number of covered workers in 1953 was projected to 1956, on the basis of the percentage change in average monthly employment covered under the unemployment insurance programs, with adjustments where necessary for changes in the coverage provisions of the laws. In the past such projections have produced coverage estimates that were confirmed to a large extent by later benchmark surveys.

**Estimating 1953 payrolls.**—The first step in making the 1953 benchmark estimates of coverage was to derive for each State separate estimates of covered payroll for each type of insurer—private carriers, State funds, and self-insurers. The National Council on Compensation Insurance, as in earlier years, made available payroll data reported to it for rate-making purposes by private insurance companies in 40 States.

These payroll data were compiled for policy years during the period 1952 through 1954 that varied from State to State. The policy year, the basic period of time in calculating

compensation rates, is the period covered by all the policies issued in a given 12-month period. (Workmen's compensation policies are written for 12-month periods and may be issued at any time during the year.) Consequently, experience pertaining to a policy year cuts across more than one 12-month period, and it was necessary to estimate the payrolls for a calendar year on the assumption that policywriting is evenly distributed throughout the year.

The payroll data provided by the Council understate the actual amount of payroll protected through private insurance for three reasons, with the degree of underreporting varying somewhat from State to State:

1. Some States do not require private carriers to report their experience for rate-making purposes, and in these States it is possible that not all carriers may belong to the Council. Since members of the Council report their experience for every State, however, the amount of underreporting in these States is primarily limited to domestic carriers (carriers restricted to conducting business in a single State). Council membership is known to be preponderant and representative in each State for which the Council makes rates.

2. Some of the business underwritten by private carriers—perhaps 1-2 percent—is rated not by payroll but by manhours or per capita. Carriers find it more feasible to insure persons in certain occupations, such as taxicab operators, domestic servants, and aviators, through a "per capita" or "use" charge.

3. In some instances, the earnings of individual workers in excess of \$100 a week are not reported. This practice varies according to jurisdiction and classification of risk and the extent to which the employer's records show such information separately. With the general rise in wage levels, this underreporting has grown in importance since World War II, but it may be of less importance in the future as the payroll limitation is raised in an increasing number of jurisdictions from \$100 a week to \$300 in accordance with insurance industry recommendations.

Some adjustment for the underreporting represented by these three factors may be made by comparing

the premiums of the carriers reporting payrolls to the Council with the premiums compiled by the *Spectator Insurance by States*, which obtains reports for all private carriers in the Nation. The premium data reported to the Council refer to the same business and policy year covered by the reported payroll. Consequently, for States where comparison with *Spectator* premiums indicated that the Council does not have a complete report of private-carrier business, the relationship based on premiums was used to inflate the payroll insured by Council members. This method permitted only rough adjustments, however, since *Spectator* data consist of written premiums for a calendar year and Council data consist of earned premiums converted from a policy-year to a calendar-year basis.

The Council also provided data on policy-year payrolls for seven competitive State funds, which were treated in the same way as the private carrier payrolls. For most of the other States with State funds, payroll or employment data were either published or made available by the individual State agencies.

The widest margin of error in building up a covered payroll figure occurs in the estimates of self-insurance payrolls. Only a few States collect information on the payrolls or average employment of employers who qualify as self-insurers. In most instances, therefore, estimates of self-insurance payrolls were developed by using known relationships between self-insurers and private carriers in the State concerning such items as taxes, benefits paid or awarded, and number of accident cases or claims. These relationships served as indicators rather than exact measures and were adjusted to reflect the fact that self-insurance in one State may be concentrated in the mining industry and have high benefit payments in relation to payrolls, and that in another State self-insurers are predominantly government units with low benefit payments in relation to payrolls.

**Converting payroll data into employment data.**—The 1953 covered payroll thus developed for each State was divided by the annual average wage of workers covered by the State's unemployment insurance pro-



gram in 1953 to arrive at an estimate of the number of workers covered by workmen's compensation in an average month in that year. This estimate assumes that the average wage, as well as the turnover of workers covered by workmen's compensation, is comparable with that of workers covered by unemployment insurance.

It was desirable to adjust the unemployment insurance annual wage for a few States, however, where there were substantial differences in the coverage provisions of the two laws, especially with respect to the exclusion of firms because of size. The statistical evidence available indicates that the unemployment insurance average wage in a State is affected by the numerical size-of-firm exclusion under the State law—that is, the more inclusive the law, the lower the computed average wage of the entire covered group.

Thus, in a State where the unemployment insurance law covered firms with eight or more employees (as of 1953) but the workmen's compensation program was applicable to all employment or to firms with fewer than eight workers, the assumption was made that the average annual wage in work covered by unemployment insurance was higher than the average for employees covered by workmen's compensation. Consequently, a downward adjustment in the average wage was made, based on the differences revealed by comparison of old-age, survivors, and disability insurance data and unemployment insurance data.<sup>4</sup>

It should be noted that estimates of workmen's compensation coverage produced by this method include only employees of firms that actually carry

<sup>4</sup> A State-by-State comparison of payroll and employment figures for January-March 1953 for the old-age, survivors, and disability insurance program (which has no size-of-firm restrictions) and for the unemployment insurance program showed that in States without such restrictions the difference in the computed average quarterly wage was less than \$5. In States whose unemployment insurance program covered two or more workers, the average quarterly wage paid in work covered by that program exceeded by \$22 the average for work covered by old-age, survivors, and disability insurance. For States whose unemployment insurance program covered four workers, the difference was \$36, and where the unemployment insurance program covered eight workers, it was \$58.

insurance or that submit the required financial proof of ability to self-insure.<sup>5</sup> In practically every State there are additional employers who are "subject" to the law but who, though not specifically exempted by statute, either reject the provisions of the law (if it is elective) or fail to carry the necessary insurance or qualify as self-insurers (if it is compulsory). Limiting the estimates to those who actually carry insurance or submit financial proof of ability to self-insure has merit, since generally only employees of such firms have assurance that benefits will be paid without litigation in cases of work-connected accident—an important attribute of workmen's compensation legislation.

The coverage estimates include, however, those employers who voluntarily come under a State workmen's compensation law by taking out insurance or qualifying as a self-insurer. Each State's total also includes estimates of workers covered by the Longshoremen's and Harbor Workers' Compensation Act, practically all of whom are insured by private carriers. The number of Federal workers covered under the Federal Employees Compensation Act is estimated separately and not distributed among the States. Railroad workers in interstate commerce and seamen in the American merchant marine are covered by statutory provisions for employer liability rather than by a workmen's compensation law and therefore are not included in the estimates.

### State and National Estimates

Table 1 presents 1953 benchmark coverage figures for each State and the projections for 1956. In previous articles, the individual State figures were not published, since not all the State agencies were able to evaluate them.

For the 1953 benchmark survey, individual State estimates of coverage, as well as a detailed description of the estimating method, were submitted

<sup>5</sup> Employees of self-insured State and local political subdivisions are included in the estimates whether or not the employing unit submits financial proof of ability to self-insure, since in many States financial solvency of the employing unit is assumed and proof is not required by law.

as before to the State workmen's compensation administrative agencies for review and comment. In most instances the States replied that the estimates were reasonable, sometimes adding a qualification to the effect that the agency had no data with which to evaluate the estimates. In the few instances where questions were raised concerning the estimating method or the relationships used to estimate self-insurance payrolls, the differences were satisfactorily resolved. A number of States provided additional data or suggestions for improving the estimates.

Table 1.—Estimated average monthly number of wage and salary workers covered by workmen's compensation, 1953 and 1956

[In thousands]

States	1953	1956
Continental U. S., total.....	40,407-40,977	41,579-42,129
Alabama.....	440	465
Arizona.....	165	195
Arkansas.....	205	215
California.....	3,700-3,800	4,100-4,200
Colorado.....	275	305
Connecticut.....	690-750	700-755
Delaware.....	110	120
Dist. of Col.....	224	222
Florida.....	630	790
Georgia.....	550	590
Idaho.....	100-110	110-120
Illinois.....	3,000	3,110
Indiana.....	1,040-1,115	1,015-1,085
Iowa.....	450	455
Kansas.....	320	315
Kentucky.....	550	550
Louisiana.....	480	510
Maine.....	175	175
Maryland.....	565	600
Massachusetts.....	1,335-1,395	1,360-1,420
Michigan.....	1,840-1,950	1,800-1,900
Minnesota.....	720	740
Mississippi.....	205	220
Missouri.....	825	815
Montana.....	125	130
Nebraska.....	210	210
Nevada.....	50	60
New Hampshire.....	130	135
New Jersey.....	1,570-1,690	1,625-1,745
New Mexico.....	100-105	110-115
New York.....	4,680	4,730
North Carolina.....	760	815
North Dakota.....	70	75
Ohio.....	2,710	2,780
Oklahoma.....	270	285
Oregon.....	290	300
Pennsylvania.....	3,500	3,380
Rhode Island.....	250	250
South Carolina.....	305-335	300-330
South Dakota.....	75	78
Tennessee.....	510	525
Texas.....	1,255	1,350
Utah.....	165	185
Vermont.....	71	73
Virginia.....	675	725
Washington.....	435	460
West Virginia.....	400	385
Wisconsin.....	850	875
Wyoming.....	52	52
Federal employees <sup>1</sup> .....	2,305	2,209

<sup>1</sup> In continental U.S. only.

Because of the considerable refinement made in the estimating method since the first benchmark survey, the individual State figures are considered sufficiently accurate to justify their publication. The State estimates are not uniformly good, particularly with respect to the amount included for coverage by self-insured firms, and where much estimating was involved a range was used to embrace the probable situation.

In an average month in 1956, an estimated 41.6-42.1 million workers had protection under the State and Federal workmen's compensation programs. The payroll covered by these programs is estimated at \$176-\$178 billion for the calendar year. Workmen's compensation thus covered almost four-fifths of the 53.6 million civilian wage and salary workers in the continental United States in 1956 and slightly more than this proportion of the \$217.5 billion in civilian wages and salaries.

The proportion of the employed labor force covered by workmen's compensation has shown little change in recent years, hovering between 78-80 percent for the years 1951-56 (table 2).<sup>6</sup> In contrast, coverage of the unemployment insurance programs (excluding railroad unemployment insurance) increased from 70 percent in 1951 to 77 percent in 1956, primarily because of the Federal legislation that (1) extended coverage to Federal civilian employees as of January 1, 1955, and (2) lowered the minimum size-of-firm exemption from less than eight to less than four employees, effective January 1, 1956. Before these extensions, workmen's compensation coverage exceeded that of the State unemployment insurance programs by about 4 million workers in the period 1951-54, even though the elective nature of many workmen's compensation laws resulted in the exclusion of some industrial workers who were protected against the risk of unemployment.

Primarily responsible for the earlier difference in coverage between

workmen's compensation and unemployment insurance has been the treatment of public employees by the two programs. Federal civilian workers, who numbered, on the average, more than 2.2 million in the continental United States during 1951-54, did not receive the protection of unemployment insurance until 1955, although they had been protected against the risk of work injury for many decades. Employees of State and local government units—4.0-4.5 million, on the average, during 1951-54—have usually been covered under workmen's compensation programs but excluded from coverage under unemployment insurance.

### State Variations

Because of differences among State laws in their coverage provisions, the number of workers actually covered by workmen's compensation as a percent of the total employed wage and salary labor force varies considerably from one State to another. Some laws are compulsory, requiring every employer within the scope of the law to accept the provisions and pay the compensation specified. Other laws are elective, but if the employer chooses not to comply with the provisions he loses the customary common-law defenses. In some instances the laws are in part compulsory and in part elective.

State laws also vary with respect to the types of employment they are designed to protect. None of them covers all employment. Among the most usual exemptions are domestic service, agricultural employment, and casual labor. Many laws exempt employees of nonprofit, charitable, or religious institutions. Some States limit coverage to workers in hazardous or extrahazardous occupations, either by listing the specific industries or occupations or by general definition.

In 29 States, employers of less than a stipulated number of employees are exempt from coverage; the range is from fewer than two employees in two States to fewer than 15 employees in one State.

In addition, the coverage of State and local public employees differs markedly from one area to another. Some laws provide broad coverage, specifying no exclusions or excluding

only such groups as elective or appointed officials. Other laws limit coverage to employees of specified political subdivisions or to employees engaged in hazardous occupations. In about one-fifth of the States, coverage of government employees is entirely optional with the State, city, or other political subdivision.

Among the States, actual coverage made up the following percentages of potential coverage in 1956:

Less than 60.0:	70.0-79.9 (cont'd)
Arkansas	Idaho
Georgia	Indiana
Mississippi	Maryland
Oklahoma	Massachusetts
South Carolina	Michigan
South Dakota	Montana
Texas	Nevada
60.0-69.9:	New Hampshire
Alabama	North Carolina
Iowa	Virginia
Kansas	West Virginia
Louisiana	Wisconsin
Maine	80.0-89.9:
Missouri	Connecticut
Nebraska	Dist. of Col.
New Mexico	Kentucky
North Dakota	Minnesota
Oregon	New York
Tennessee	Rhode Island
Vermont	Utah
Washington	90.0 or more:
Wyoming	California
70.0-79.9:	Illinois
Arizona	New Jersey
Colorado	Ohio
Delaware	Pennsylvania
Florida	Federal employees

Potential coverage is based on State data published by the Bureau of Labor Statistics on employees in non-farm establishments, augmented by estimated data on agricultural wage and salary workers from the Department of Agriculture. The data were further modified to exclude Federal employees (who have their own separate workmen's compensation system) and interstate railroad workers (who are subject to Federal jurisdiction and therefore ineligible for State coverage). One group—domestic workers—though conceptually belonging in the potential coverage, is excluded from the data, because a State distribution of this group is not available. The omission of domestic workers may have a varying effect on the potential coverage of the individual States, but not enough, it is believed, to affect the broad groupings.

Of the 21 States with ratios of ac-

<sup>6</sup> Slight year-to-year fluctuations in the proportions covered are not considered significant in light of the sampling variation associated with the estimates of the Bureau of Census on the total wage and salary labor force and the range involved in workmen's compensation estimates.

**Table 2.—Estimated number of workers covered in an average month and annual covered payroll, 1940, 1946, and 1948-56**

Year	Workers covered in an average month		Covered payroll	
	Number (in millions)	Percent of employed wage and salary labor force <sup>1</sup>	Amount (in billions)	Percent of civilian wage and salary disbursements <sup>1</sup>
1940.....	24.2-25.0	70.8	\$35-36	72.1
1946.....	32.2-33.2	76.8	79-81	76.9
1948.....	35.5-36.3	77.0	104-106	80.0
1949.....	34.9-35.7	76.9	102-104	79.2
1950.....	36.5-37.2	77.2	112-115	80.2
1951.....	38.3-39.0	78.4	130-133	81.1
1952.....	39.1-39.7	78.9	140-143	81.1
1953.....	40.4-41.0	80.0	152-155	82.1
1954.....	39.4-39.9	79.5	152-154	82.5
1955.....	40.3-40.9	78.4	164-166	82.3
1956.....	41.6-42.1	78.1	176-178	81.4

<sup>1</sup> Midpoints of range used in computing percentages.

Source: Labor-force data from unpublished data, Bureau of the Census; wage and salary disbursements from Office of Business Economics, Department of Commerce.

tual to potential coverage of less than 70.0 percent, all but two were located west of the Mississippi or south of the Mason-Dixon line. Predominantly rural States, they contained less than one-fourth of the Nation's potential coverage. Even if potential coverage were confined to industrial and commercial workers, the ratios in these States would be among the lowest in the country. All but six of these States have elective laws, and three of the six exempt small employers.

In 16 States that had approximately one-fourth of the potential coverage, the ratio was 70.0-79.9 percent. These States were distributed fairly evenly throughout the Nation. Ten have compulsory laws, but only five have no numerical exemptions. Seven States (including the District of Columbia), with less than one-fifth of the potential coverage, had a ratio of actual to potential coverage of 80.0-89.9 percent. These States were located primarily in the Eastern and Middle Western industrial regions. Only two of the laws are elective, and four exempt small employers.

Five State programs and the system for Federal employees, with ratios of 90.0 percent or more, accounted for more than one-third of the potential coverage. The programs of some of the largest urban States

were included in this group. Only one of the laws exempts small employers, and it is compulsory. Three of the laws provide some coverage for agricultural workers.

### Benefits

Payments for wage loss and medical benefits under workmen's compensation reached \$1 billion in 1956, 327 percent more than in 1939—the first benchmark year of the benefit series (table 3). Payments made by private carriers increased to five times what they were in 1939, State fund disbursements nearly quadrupled, and self-insurance payments almost tripled. As a result of their faster rate of growth, private carriers paid 62 percent of all benefits in 1956, compared with 52 percent in 1939.

Almost all this relative gain in private carrier payments took place during World War II. Since 1944, their share of the total has remained constant, while the share coming from State funds and from the system for Federal employees has been inching up and that represented by self-insurance payments has been steadily dropping off.

Of the \$1,003 million paid in bene-

fits in 1956, about an estimated one-third went for hospitalization and other medical costs and two-thirds for compensating the wage loss of injured or deceased workmen (table 4). These proportions have remained rather constant since the end of World War II. Over the years, however, compensation paid to the survivors of workers dying from industrial accidents has formed a steadily decreasing proportion of all benefits; from about one-eighth in 1940, it dropped to only one-thirteenth in 1956.

Data for 40 States reported to the National Council on Compensation Insurance for rate-making purposes show some changes from the policy year 1939 to the policy year 1954 in the distribution of compensable cases and incurred losses by severity of injury (table 5). The data relate mainly to private carrier business, though some competitive State funds are included. Partial disability cases classified as "minor permanent" accounted for 12 percent of all compensable cases and 26 percent of incurred losses in policy year 1939; by policy year 1954, the proportions had increased to 23 percent and 37 percent,

**Table 3.—Benefit payments by type of insurance, 1939-56**

[Amounts in thousands]

Year	Total		Type of insurance					
			Insurance losses paid by private insurance carriers <sup>1</sup>		State fund disbursements <sup>2</sup>		Self-insurance payments <sup>3</sup>	
	Amount	Percent	Amount	Percent	Amount	Percent	Amount	Percent
1939.....	\$234,723	100.0	\$122,183	52.0	\$68,464	29.2	\$44,076	18.8
1940.....	255,653	100.0	134,653	52.7	72,528	28.4	48,472	18.9
1941.....	290,812	100.0	159,823	55.0	77,408	26.6	53,581	18.4
1942.....	328,669	100.0	190,239	57.9	81,247	24.7	57,183	17.4
1943.....	353,035	100.0	213,123	60.4	80,574	22.8	59,338	16.8
1944.....	385,236	100.0	236,655	61.4	85,960	22.3	62,591	16.3
1945.....	408,374	100.0	252,570	61.9	91,255	22.3	64,549	15.8
1946.....	434,232	100.0	269,799	62.1	96,053	22.1	68,380	15.8
1947.....	485,794	100.0	301,833	62.1	110,303	22.7	73,658	15.2
1948.....	533,643	100.0	334,699	62.7	121,048	22.7	77,896	14.6
1949.....	566,270	100.0	353,140	62.3	131,709	23.3	81,421	14.4
1950.....	614,702	100.0	381,329	62.0	148,693	24.2	84,680	13.8
1951.....	709,647	100.0	444,416	62.7	170,445	24.0	94,186	13.3
1952.....	784,956	100.0	490,958	62.5	193,107	24.6	100,891	12.9
1953.....	841,126	100.0	524,176	62.3	210,337	25.0	106,613	12.7
1954.....	876,216	100.0	540,497	61.7	225,473	25.7	110,246	12.6
1955.....	915,435	100.0	562,515	61.4	238,485	26.1	114,435	12.5
1956.....	1,002,631	100.0	618,108	61.7	259,125	25.8	125,398	12.5

<sup>1</sup> Net cash and medical benefits paid during the calendar year by private insurance carriers under standard workmen's compensation policies. Data from the *Spectator* (Premiums and Losses by States of Casualty, Surety and Miscellaneous Lines for 1939-49; Insurance by States of Fire, Marine, Casualty, Surety and Miscellaneous Lines for 1950-56). Data for Alaska and Hawaii have been excluded.

<sup>2</sup> Net cash and medical benefits paid by competitive and exclusive State funds and the Federal sys-

tem for Government employees. Compiled from State reports (published and unpublished) and from the *Spectator* or other insurance publications; data for fiscal years for some funds.

<sup>3</sup> Cash and medical benefits paid by self-insurers, plus the value of medical benefits paid by employers carrying workmen's compensation policies that do not include the standard medical coverage. Estimated from available State data.



Table 4.—Benefit payments by type, 1939-56  
(In millions)

Year	Total	Type of benefit			
		Medical and hospitalization payments	Compensation payments		
			Total	Disability	Survivor
1939.....	\$235	\$85	\$150	\$120	\$30
1940.....	256	95	161	129	32
1941.....	291	100	191	157	34
1942.....	329	108	221	185	36
1943.....	353	112	241	203	38
1944.....	385	120	265	225	40
1945.....	408	125	283	241	42
1946.....	434	140	294	250	44
1947.....	486	160	326	280	46
1948.....	534	175	359	309	50
1949.....	566	185	381	329	52
1950.....	615	200	415	360	55
1951.....	709	233	476	416	60
1952.....	785	260	525	460	65
1953.....	841	280	561	491	70
1954.....	876	308	568	498	70
1955.....	915	325	590	520	70
1956.....	1,003	350	653	578	75

respectively. These increases were accompanied by a drop in the proportion of cases and losses attributable to death and temporary total disability. Cases of these types, however, showed the greatest percentage increase in average incurred loss per case—138 percent and 191 percent, respectively, compared with a 97-percent increase for the average case of minor permanent disability.

### Relation to Payrolls

The relationship of aggregate benefit payments to payrolls covered by workmen's compensation programs gives some indication of the extent to which benefits have kept pace with the increase in the number of workers covered by the programs, with the rise in wage rates on which cash benefits are based, and indirectly with the increasing costs of hospitalization and medical benefits. Table 6 shows that benefit payments as a proportion of payroll declined from 0.72 percent in 1940 to 0.51 percent in 1948 and since then have risen modestly, to 0.57 percent in 1956.

Any assumptions concerning the relative effectiveness of workmen's compensation benefit payments over the years must also take into consideration changes in the frequency and severity of work injuries. As the country emerged from the economically depressed era of the late thirties into a period of full employment accompanied by unusual war conditions,

the number of work injuries per million employee-hours worked in manufacturing rose—from 15.3 in 1940 to 19.9 in 1946. In view of the increased accident load, the decline in the ratio of benefit payments to insured payrolls probably indicates the minimum extent to which the programs during the first half of the 1940's had fallen behind in providing effective and adequate wage-loss and medical care protection against work-connected accidents.

Since 1946 there has been a general decrease in the frequency of work injuries and their severity. The gradual rise during the 1950's in the ratio of benefit payments to covered payroll when considered in the light of the improvement in accident experience indicates that statutory liberalizations are beginning to bring benefit provisions more nearly in line with recent changes in economic conditions.

Benefits as a proportion of covered payroll also vary widely among the States, ranging in 1956 from less than 0.3 percent in Delaware to 1.5 percent in Nevada, as shown in the accompanying chart. Many factors other than benefit provisions may bring about these variations. As the chart indicates, the correlation between the statutory limitations on weekly benefits for temporary disability and the proportion of covered payroll that is consumed by aggregate benefits does not appear to be significant, although admittedly the correlation might be different if the States were ranked by other benefit provisions of their laws.

Often more influential than benefit provisions in determining the magnitude of a State's benefit payments are (1) the frequency and severity of work injuries as affected by the hazardous nature of its industries, by the age, sex, and occupational composition of the labor force, and by the effectiveness of safety and rehabilitation programs; (2) the level and distribution of wages and the size of the group over which the risk is spread; (3) the methods used to underwrite the risk; and (4) the administrative and legal procedures and policies used in evaluating, adjudicating, and policing claims.

The following tabulation shows that aggregate benefit payments amounted to less than ½ of 1 percent of covered payroll in 1956 for 17 jurisdictions with approximately two-fifths of the covered workers. Only in six States with 6 percent of covered employment did benefit payments absorb as much as 1 percent of payroll.

Aggregate benefits as percent of covered payroll, 1956	Number of jurisdictions	Percentage distribution of coverage
Less than 0.40.....	8	26.0
0.40-0.49.....	9	13.4
0.50-0.59.....	8	17.9
0.60-0.69.....	7	28.7
0.70-0.79.....	5	3.6
0.80-0.89.....	3	1.7
0.90-0.99.....	4	2.4
1.00 or more.....	6	6.2

### Proportion of Wage Loss Compensated

Workmen's compensation laws provide for the replacement of only a

Table 5.—Percentage distribution of cases and incurred losses, and average incurred loss, by injury classification, policy years 1939, 1946, and 1954

Classification	Percentage distribution						Average incurred loss per case		
	Cases			Incurred losses <sup>1</sup>					
	1939	1946	1954 <sup>2</sup>	1939	1946	1954 <sup>2</sup>	1939	1946	1954 <sup>2</sup>
All compensable cases.....	100.0	100.0	100.0	100.0	100.0	100.0	-----	-----	-----
Death.....	1.0	.7	.8	16.2	11.5	11.5	\$3,873	\$5,691	\$9,207
Injury:									
Permanent total.....	.1	.1	.1	3.9	3.0	2.0	9,415	12,033	16,788
Major permanent.....	1.8	2.1	2.6	22.3	21.7	20.7	2,792	3,500	5,010
Minor permanent.....	12.1	12.8	23.2	26.2	27.7	36.8	800	720	986
Temporary total.....	85.0	84.4	73.3	31.4	36.1	29.1	85	143	247

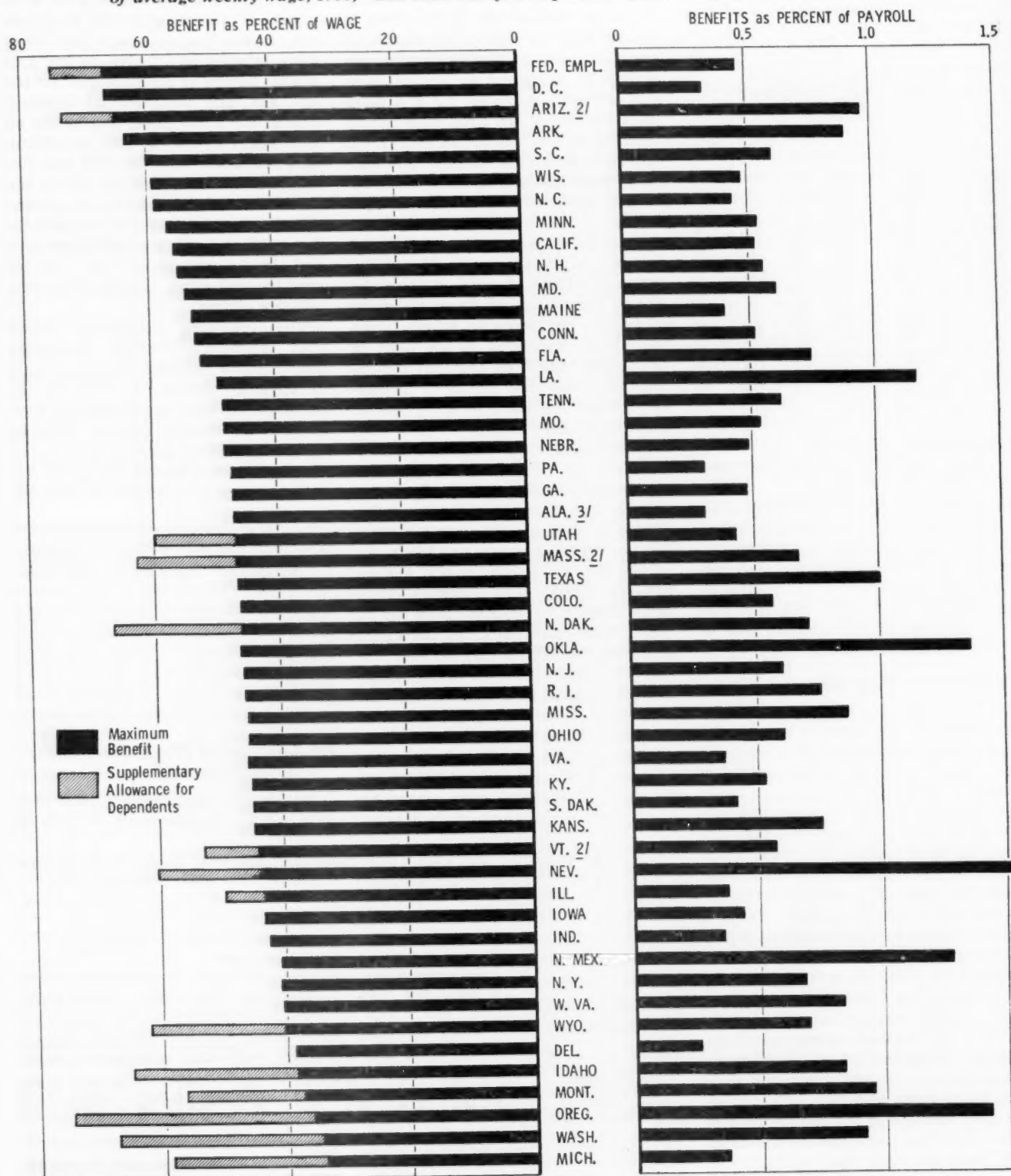
<sup>1</sup> For permanent injury cases includes, in addition to compensation for loss of earning power, payments to these cases during periods of temporary disability. For temporary disability cases, includes only those closed cases known not to have involved any permanent injury and open cases in which, in the judgment of the carrier, the disability will be temporary

only.

<sup>2</sup> Policy-year data for 1954 not strictly comparable with those of previous years because the majority of States no longer use a uniform policy year commencing Jan. 1, as was the practice in 1939 and 1946.

Source: Unpublished data from the National Council on Compensation Insurance.

Measures of interstate variation: Maximum weekly benefit for temporary total disability, August 1957, as percent of average weekly wage, 1956, <sup>1</sup> and total benefits as percent of covered payroll, 1956



<sup>1</sup> Maximum weekly benefit for worker with and without eligible dependents under workmen's compensation laws paying dependents' allowances; average wage for workers covered by State unemployment insurance programs.

<sup>2</sup> Assumes 3 dependents.

<sup>3</sup> Maximum same for worker earning average wage whether or not he has dependents, but compensation for worker with dependents is based on higher proportion of wages.

portion of the wages lost as a result of disabilities incurred while employed. The actual portion of wage loss replaced varies among the States and is generally determined by the benefit formula incorporated in the law. One measure of the proportion of wage loss met by workmen's compensation is the statutory percentage of the average weekly wage used to compute the weekly benefit for temporary total disability—by far the most common type of injury sustained.

An analysis of workmen's compensation legislation as of August 1957 indicates that the intent of most of the laws, protecting more than 85 percent of the covered workers, is to compensate from three-fifths to two-thirds of a worker's weekly wage during total disability.<sup>7</sup> Only five States,

**Table 6—Aggregate benefits as percent of covered payroll and rates of injury frequency and injury severity in manufacturing, 1940, 1946, and 1948-56**

Year	Benefits as percent of payroll	Injury-frequency rates <sup>1</sup>	Injury-severity rates <sup>2</sup>
1940.....	0.72	15.3	1.6
1946.....	.54	19.9	1.6
1948.....	.51	17.2	1.5
1949.....	.55	14.5	1.4
1950.....	.54	14.7	1.2
1951.....	.54	15.5	1.3
1952.....	.55	14.3	1.3
1953.....	.55	13.4	1.2
1954.....	.57	11.9	1.0
1955.....	.55	12.1	(?)
1956.....	.57	12.0	(?)

<sup>1</sup>Average number of disabling work injuries per million employee-hours worked.

<sup>2</sup>For years before 1955, average number of days lost for each 1,000 employee-hours worked. In 1955 the basis of computation was changed to average number of days lost per million hours, and different and more exact time charges were used in evaluating permanent impairments. Consequently, severity rates for 1955 (637) and for 1956 (712) are not comparable with those of previous years.

Source: Data on work injury rates from Bureau of Labor Statistics, *Work Injuries in the United States*, annual reports.

with less than 3 percent of the covered workers, specify a percentage maximum that is less than 60 percent of wages. Nearly 10 percent of the covered workers are employed in three States with maximums of more than two-thirds of weekly wages. Six States and the program for Federal employees provide a higher statutory

<sup>7</sup>Department of Labor, Bureau of Labor Standards, *State Workmen's Compensation Laws, August 1957* (Bulletin 161).

percentage for injured workers with dependents. When these higher rates are included, only one State (with less than 1 percent of covered employment) has a percentage maximum of less than 60 percent of wages; five States and the Federal program (with 16 percent of covered employment) have percentage maximums of more than two-thirds of wages.

The effectiveness of the statutory percentage in compensating for lost wages, however, depends to a large extent on the weekly dollar maximums contained in the laws. In a period of rising wages, these dollar maximums assume increasing importance as they operate to restrict workers from receiving the full statutory percentage. In 1939, for example, half the laws provided a maximum of less than \$20 a week and \$25 was the highest amount payable under the State laws. These dollar maximums were nevertheless high enough so that, in virtually every State, a worker receiving the average weekly wage (as shown by unemployment insurance data) could receive under workmen's compensation the proportion of his wage loss specified in the statute.

By 1957, however, this was the situation in only a few States, despite periodic legislative increases in the maximum dollar amount of weekly benefits. Since 1939, all but seven States have increased their dollar maximum amounts by at least 75 percent; in 20 jurisdictions the increases have amounted to more than 100 percent. As of August 1957, three-fourths of the laws provided maximum weekly benefits (including allowances for dependents) of \$35 or more, with 17 providing \$45 or more. These higher maximums, however, had still not caught up with rising weekly wages, which had increased from 1939 to 1956 for the average worker covered under unemployment insurance by 210 percent—from \$26.17 to \$81.17. Consequently, only seven programs (including the system for Federal employees), with 9 percent of the covered workers, had weekly maximums that were high enough in 1957 to permit the statutory percentage to be effective for workers with average wages though

not for many workers with higher-than-average wages.

The situation in 1957, however, represented some improvement over the immediately preceding years. This improvement may be noted from the tabulation below, which relates the actual or effective dollar maximums payable in 1949, 1953, and 1957 (or the maximum for a worker without qualified dependents under the 14 laws that now provide supplementary allowances) to the average weekly wage of the preceding year. With

Maximum benefit as percent of average wage in preceding year	Number of jurisdictions			Percentage distribution of coverage	
	1949	1953	1957	1953	1957
Less than 35.....	1	4	2	6.5	5.5
35-39.9.....	8	5	4	11.0	1.6
40-44.9.....	9	17	12	35.8	26.2
45-49.9.....	10	8	18	23.3	37.5
50-54.9.....	6	9	4	9.8	5.4
55-59.9.....	8	3	5	4.4	16.1
60 or more.....	8	4	5	9.2	7.6

the maximums effective at the middle of 1953, a worker receiving the average wage for 1952 would have been paid a benefit amounting to less than 45 percent of his wage under 26 State programs accounting for more than half of all covered employment. By 1957 the number had declined to 18 States which had only one-third of total coverage. In 1953, 16 laws—two more than in 1957—had an effective benefit of 50 percent or more, but these laws covered only 23 percent of the workers, in contrast to 29 percent in 1957. In general, since 1949 there has been a tendency for the effective State benefit rates to concentrate at 40.0-49.9 percent of the preceding year's average wage. Thirty laws fell into this category in 1957 but only 19 in 1949.

The chart, in addition to relating total benefits to payrolls, shows for each State the actual proportion of weekly wages that a worker in receipt of the average 1956 wage would have received in benefits during a period of total temporary disability under the statutory percentages and maximums effective in August 1957.

For the country as a whole, a single worker with average wages received a weekly rate of compensation, weighted by coverage, estimated at



\$38.96 or 48.0 percent of the nationwide average weekly wage. In the 36 programs<sup>8</sup> that do not have dependents' allowances, the proportion of average wages replaced was slightly higher (48.4 percent), and in the 14 jurisdictions with dependents' allowances it was lower (46.9 percent). For a worker with the maximum number of qualified dependents, however, the rate of compensation per week was \$53.20 or 61.4 percent of the average weekly wage in these 14 jurisdictions.

Since workmen's compensation benefits are not subject to Federal income or social security taxes, these average benefit amounts replaced a higher percentage of actual income or "take-home" pay. A worker with no dependents, earning the average weekly wage of \$81.17 in 1956, had deducted from his weekly earnings \$12.76 in Federal income taxes (assuming the standard deduction) and \$1.62 in contributions for old-age, survivors, and disability insurance, which gave him \$66.79 in weekly take-home pay. During periods of total disability, therefore, the \$38.96 he received in weekly compensation benefits replaced 58 percent of his take-home pay. A married man with two dependent children had a higher take-home pay, of which only 53 percent was offset in the States without dependents' allowances. In the 14 jurisdictions having dependents' allowances, the proportion offset was about 62 percent.

The length of the waiting period and to a lesser extent the specified maximums with respect to duration of benefits or aggregate payments also play an important role in determining the proportion of the overall wage loss that is compensated in temporary disability cases.

According to the data for August 1957, all jurisdictions but Oregon provide for a waiting period following the date of injury before the payment of compensation benefits; 34 States, with 82 percent of covered employment, have a 7-day waiting period and the remaining jurisdictions, 3-5 days. All but five States, however,

provide that if the disability continues for a specified period of time the payment of benefits is retroactive to the date of injury. More than two-thirds of the covered workers are employed in States where at least 28 days are required for the retroactive provisions to become effective.

Only 12 States and the Federal system, with 22 percent of the coverage, pay benefits for the entire period of the disability without any maximum monetary limitation. Where restrictions are in force, for the most part they are not too significant, since less than 1 percent of all temporary disabilities are estimated to last long enough to bring the maximums into play.

The BULLETIN article of March 1954 outlined a method for estimating the wage loss compensated in an average case of temporary total disability, taking into account waiting-period and other statutory restrictions on payments. When this method is applied to the 1956 data, it is estimated that, of the average duration of 18 calendar days lost by workers in manufacturing,<sup>9</sup> only 13.8 days are compensable under a hypothetical State law providing for a 7-day waiting period and paying compensation retroactively to the date of injury only if the disability lasts as long as 28 days. Payment at the average rate of \$38.96 per compensable week for workers without dependents means that the average temporary total disability case is paid a total of \$76.81 for the 13.8 compensable days, or only 37 percent of the estimated gross wage loss of \$209 for the 18-day disability; the estimate using 1952 data is somewhat lower. Workers with higher-than-average wages receive even a smaller fraction of lost earnings.

Thus, it may be concluded that workmen's compensation is still leaving unmet, on the average, more than three-fifths of the total wage loss in temporary disability cases. This unmet wage loss, of course, is not a measure of the overall cost of indus-

trial injury that the worker must meet. For work injuries that result in death or permanent disability, the proportion of the wage loss compensated through workmen's compensation programs is even less. One reason is that such injuries are more likely to require the application of the durational or aggregate maximums that curtail payments.

Only 15 States and the Federal employees' system, with 36 percent of covered employment, provide death benefit payments to the widow for life or until remarriage and to children until grown, and six of these States, with 13 percent of covered employment, limit the total amount payable. Twenty-six States and the Federal system, with 77 percent of covered employment, pay permanent total disability benefits for life or the duration of the disability; five of these States reduce the weekly benefit amount after a specified number of weeks, varying from 260 to 400. These provisions represent some liberalization since 1953, when 14 laws provided death benefits of unrestricted duration and 21 laws provided lifelong permanent disability benefits.

Some indication that the program is less effective in compensating injuries that are permanent or result in death than those of shorter duration is found in the annual reports on work injuries published by the Illinois Department of Labor. Of the compensable cases closed for the first time in 1956, the wage loss compensated in Illinois was estimated at 33 percent for temporary cases but at only 15 percent for permanent-total cases, 16 percent for permanent-partial cases, and less than 7 percent for fatal cases.<sup>10</sup>

Other costs not met by the workmen's compensation program may include a part of the medical or hospitalization expenses in States that have period-of-time or money restrictions on the medical benefits furnished. As of August 1957, there were 13 such States, with 12 percent of the covered workers.

In recent years, also, for workers

<sup>8</sup> Alabama's program, which provides for a statutory percentage that is higher for a worker with dependents, is included here because its maximum is the same for the worker with average wages whether or not he has dependents.

<sup>9</sup> The average is for injuries resulting in only temporary disability that incapacitated for 1 full day or more, without leaving any permanent ill effects. See "Work Injuries in the United States, 1956," *Monthly Labor Review*, January 1958, pages 54-58.

<sup>10</sup> Illinois Department of Labor, Division of Statistics and Research, *Annual Report on Compensable Work Injuries, 1956*, part II, table 11.

and their families receiving cash indemnity awards for death and permanent disability, actual benefits have been significantly lower than originally intended because of rising wages and prices. Furthermore, workers often have to pay out of their own pockets legal fees to have their claims brought to a successful conclusion. These fees may range from 10 to 20 percent of the cash compensation awarded. Consideration must also be given to the wage loss and medical bill of employees who are excluded from the workmen's compensation program because of the type of employment or type of injury or disease sustained.

All these factors combine to make it evident that much the larger share of the cost of industrial accidents falls on the worker and his family or on public assistance or private charity—far from the original intent of workmen's compensation.<sup>11</sup> At the same time, recognition should be given to the economic relief that some injured workers receive through the growing number of employee-benefit plans that supplement the statutory workmen's compensation benefits or pay cash sickness and medical care benefits in cases that are not covered by workmen's compensation. Also to be taken into account are Federal old-age, survivors, and disability insurance benefits. These benefits may be payable in addition to workmen's compensation if the worker dies or reaches age 65 or if he becomes permanently and totally disabled after he has reached age 50 (to the extent that the amount of the benefit exceeds the amount of workmen's compensation benefits).

### Costs

The amount expended for benefits or reserved for future benefit payments is only one of the elements that make up the total cost of workmen's compensation to employers.<sup>12</sup> In addition to benefit costs (common-

<sup>11</sup> Herman Miles Somers and Anne Ramsay Somers, *Workmen's Compensation: Prevention, Insurance, and Rehabilitation of Occupational Disability*, 1954, page 282.

<sup>12</sup> Except in a few Western States that require employee contributions—primarily toward the cost of medical care—workmen's compensation is entirely employer-financed.

**Table 7.—Estimated cost of workmen's compensation to employers as percent of covered payroll, 1940, 1946, and 1948-56**

Year	Cost of workmen's compensation <sup>1</sup>	
	Amount (in millions)	Percent of covered payroll
1940.....	\$421	1.19
1946.....	726	.91
1948.....	1,013	.96
1949.....	1,009	.98
1950.....	1,013	.89
1951.....	1,185	.90
1952.....	1,333	.94
1953.....	1,483	.97
1954.....	1,499	.98
1955.....	1,532	.93
1956.....	1,630	.92

<sup>1</sup> Represents premiums written by private carriers and State funds, and benefits paid by self-insurers, increased 5-10 percent to allow for administrative costs. Also includes benefits paid and administrative costs of system for Federal employees. Where necessary, fiscal-year data converted to calendar-year data.

ly termed "pure premium"), there are the overhead costs (known as "expense loading") of insuring the risk, which are reflected in the premium (manual) rates or their "equivalent" that employers pay to insure or self-insure the risk of work injury. Included in the overhead are the expenses of policywriting, rate-making, payroll auditing, claims investigation and adjustment, safety inspection, legal and medical services, and general administration. In self-insurance, some of these overhead expenses are eliminated or reduced, and in insurance provided by commercial carriers there are additional charges, such as acquisition costs (commissions and brokerage fees), taxes and fees, and allowances for underwriting profit and gain.

The method described in the March 1954 issue of the BULLETIN was used for estimating the total "premium" figure for all covered employers (including the self-insurers). According to the estimates, annual workmen's compensation costs for employers in the aggregate have not exceeded 1 percent of covered payroll since the end of World War II (table 7). Before the war, costs were as high as 1.2 percent. In the postwar years, employers spent 89-98 cents per \$100 of covered payroll to insure or self-insure their risks. The yearly fluctuations produced an irregular pattern;

from a 1950 low the ratio climbed to a 1954 high and then turned downward again.

Premiums and payroll data made available by the National Council on Compensation Insurance indicate a somewhat similar trend in costs. These data primarily relate to private-carrier experience but also include data for a few competitive State funds that cannot be segregated. For the policy year 1939, earned premiums of \$247.4 million were reported for 36 States, amounting to 1.4 percent of the covered payroll of \$17.4 billion. For the policy year 1946, the rate dropped to 1.2 percent of the \$45.5 billion payroll reported. Earned premiums for the 40 States included in policy-year data for 1954 (the latest year available) amounted to \$1,162 million or 1.3 percent of the \$86.9 billion payroll.<sup>13</sup>

The cost to an individual employer of protecting his workers is probably influenced most by his industrial classification and the hazards of that classification, as modified by experience rating. In industries characterized primarily by clerical operations, manual rates may be less than 0.1 percent of payroll; in very hazardous occupations they may be as high as 20.0 percent or more. An employer's costs are also affected by the level of benefits provided by the State law and the method by which he insures his compensation liability—through a private stock or mutual company, through an exclusive or competitive State fund, or carrying his own risk.

These factors result in average premium rates that vary from one industry to another and also, though not to the same extent, from one State to another. Policy-year data for 1954 from the National Council showed a range in State rates from 0.7 percent to 3.0 percent of payroll. Half the States, with about two-fifths of the reported payroll, had rates of 0.8-1.1 percent, and only two had rates less than 0.8 percent. More

<sup>13</sup> Omission from the 1954 data of the four States not reported in 1939 does not change the percentage. Policy-year data for 1954, however, are not strictly comparable with those of previous years because most States no longer use a uniform policy year commencing January 1, as was the practice in 1939 and 1946.

than one-third experienced rates of 1.4 percent or more. These rates are slightly higher than those computed for policy year 1946, when the range was from 0.7 percent to 2.5 percent of payroll and only about a fourth of the States had rates of 1.4 percent or more.

### Loss and Expense Ratios

A comparison of the benefits paid (table 4) with the premium costs (table 7) gives a rough indication of the proportion of the premium dollar that reaches the injured worker. In 1956 the \$1,003 million paid out in medical and cash benefits amounted to 62 cents for every dollar of the \$1.6 billion spent by employers to insure their workers. This is the highest proportion computed for the years included in the two tables. The lowest rate of return was 53 percent, in 1948. From 1949 to 1955 the rates fluctuated from 56 percent to 61 percent, with low points registered in 1949 and 1953.

The ratio of benefits paid during the year to insurance costs for the same year (the loss ratio) is subject to considerable misinterpretation. In the first place, the overall ratio conceals sharply varying ratios that result from differences in the insurance mechanisms. Thus, for self-insurers and the system for Federal Government employees, the ratio is 90-95 percent because the cost is figured on the basis of payments during the year plus administrative expenses. For participating carriers—primarily mutual companies—and for some State

funds, the ratio is lower than it would be if dividends could be taken into account; that is, the cost included for employers insured by these carriers is overstated to the extent that a portion of their premiums may later be returned in the form of dividends. For all private carriers and State funds, moreover, a loss ratio based on losses paid during the year is lower than one based on losses incurred. This difference is especially great in a period when insured payrolls are rising rapidly; the large amounts of premium income that must be set aside to cover liabilities for future payments may be considerably higher than the amounts paid during the year in cases continued from earlier years when wages and compensation rates were lower.

The extent of the differences in the loss ratios computed by the two methods may be seen in table 8. When losses paid were related to direct premiums written, the loss ratio for private carriers averaged 51.7 percent for 1950-56. The loss ratio was 60.0 percent when the relationship of losses incurred to premiums earned was used. The effect of business activity on these differences may also be noted. For 1951, 1952, and 1953, when the upward trend of business and payrolls was most pronounced, the differences in loss ratios were greatest—10 percentage points or more. Since 1953, the yearly differences have narrowed to about 5 percentage points.

The relationship of the amount of losses incurred to the premiums

earned is the measure commonly used by insurance organizations in evaluating and revising their manual rates. Data needed to determine this ratio are not available in a continuous series going back to 1939 for all private carriers or for State funds. The annual reports of the New York State Insurance Department, however, contain pertinent data on the countrywide business of private carriers operating in the State and representing about 80 percent of all business underwritten for United States employers by insurance companies. From these data the shifts in loss ratios, along with trends in expense ratios and underwriting gains for stock and mutual companies, can be traced (table 9).

Caution must be used in comparing loss and expense ratios, since the mode of operation of stock and mutual companies is different. Nonparticipating stock companies, for example, distribute profits among their stockholders, but the bulk of the profits of mutual companies is returned to policyholders as dividends—representing in essence the difference between the anticipated and actual cost of insurance. If data were available for use in computing the loss and expense ratios of mutual companies based on premium volume less dividend payments, the ratios for these companies would be somewhat higher than those shown in table 9.

Without this adjustment the average loss ratios of mutual and of stock companies for the period 1948-56 are almost identical. Stock companies earned \$3.9 billion in premiums and paid to claimants or reserved for future payments \$2.3 billion, for a loss ratio of 59.1 percent; mutual companies earned \$2.6 billion in premiums while incurring losses of \$1.5 billion, for a ratio of 58.6 percent. These loss ratios were slightly higher than those recorded for 1939-47, when the stock companies averaged 57.4 percent and the mutual companies 57.1 percent.

The yearly data for both stock and mutual companies show considerable fluctuations. For the former, the loss ratios have ranged from a low of 52 percent in 1949 to a high of 67 percent in 1951. For the mutual companies the fluctuations have not been so great—from 53 percent in 1948 to

Table 8.—Comparative loss ratios, private carriers, 1950-56

[Amounts in millions]

Year	Direct writings <sup>1</sup> and direct losses paid <sup>1</sup>			Earned premiums and incurred losses <sup>2</sup>		
	Direct writings <sup>1</sup>	Direct losses paid	Loss ratio	Earned premiums <sup>2</sup>	Incurred losses	Loss ratio
Total.....	\$6,894.0	\$3,562.0	51.7	\$6,542.9	\$3,923.5	60.0
1950.....	721.5	381.3	52.8	696.6	427.7	61.4
1951.....	844.5	444.4	52.6	789.9	518.5	65.6
1952.....	956.3	491.0	51.3	903.7	571.9	63.3
1953.....	1,074.1	524.2	48.8	1,010.6	605.4	59.9
1954.....	1,067.3	540.5	50.6	1,010.8	561.4	55.5
1955.....	1,077.5	562.5	52.2	1,027.9	594.3	57.8
1956.....	1,152.8	618.1	53.6	1,103.4	649.3	58.8

<sup>1</sup> From *Spectator: Insurance by States of Fire, Marine, Casualty, Surety and Miscellaneous Lines*, annual issues. Data for Alaska and Hawaii have been excluded.

<sup>2</sup> From National Council on Compensation In-

urance, *Insurance Expense Exhibit* (Countrywide), annual issues. Data for Alaska and Hawaii have been excluded.

<sup>3</sup> Disregards dividends to policyholders.



62 percent in 1951. Both series show the same pattern—a steep rise in the loss ratios during the early years of the Korean conflict and then a decline until 1954. Recent years have seen a gradual rise but nothing approaching the 1950–52 experience.

Stock companies have generally found the workmen's compensation line less profitable than the mutual companies. During 1948–56, stock companies earned an underwriting profit of 5.1 percent, and mutual companies averaged an underwriting surplus of 17.4 percent. This situation represents some improvement for stock companies from the period 1939–47, when their gain was 4.7 percent and that for mutual companies was 20.1 percent. Stock companies show a greater year-to-year fluctuation than mutuals; their underwriting gains ranged from a profit of 10.6 percent (1948) to a deficit of 4.2 percent (1951). In no year since 1948 has the underwriting surplus for mutual companies dipped below 13.0 percent; it was as high as 24.5 percent in 1948.

The better financial showing of mu-

tual companies is mainly attributable to their lower expense ratio. In 1948–56, stock companies incurred expenses averaging 35.8 percent of premiums earned, and mutual companies' expenses averaged only 24.0 percent of premiums earned. As indicated earlier, however, this difference would be somewhat less if it were possible to make the upward adjustment in the mutual companies' ratios on account of dividends. The expense ratios of stock companies have shown a continual decline in the last two decades. The average for 1939–47 was 37.9, and the yearly figures since 1947 showed a gradual decline to a low of 34.5 percent for 1955. Mutual companies, in contrast, have shown no improvement in expense ratios. The 1939–47 ratio was 22.8 percent, and since 1947 the ratio has gone as high as 25.1 percent (1956). Nevertheless, the expense ratios of stock companies remain considerably higher than those of mutual companies.

The disparity in expense ratios results primarily from the greater acquisition costs of stock companies.

Stock companies sell most of their policies through commissioned agents, and mutuals sell most of their policies direct through salaried employees of the company. In recent years, acquisition costs and field supervision have averaged about 16 percent of premiums earned for stock companies and 7 percent for mutuals.

Another factor contributing to the disparity in expense ratios is the smaller average size of risk insured by stock companies. As a general rule, the smaller the policy, the greater the proportion of premiums that is required for servicing it. Studies conducted a few years ago by stock carriers showed that, although expense loading for all risks was assumed to be about 41 percent, for risks with annual premiums of less than \$50, 86 percent of the premium was required for expenses; for risks with annual premiums of less than \$200, 60 percent was required.<sup>14</sup>

The loss ratios for the competitive and exclusive State funds are higher than those of the private carriers. Table 10 shows that for 1948–56 benefits paid amounted to 69.7 percent of the premiums written for the 18 State funds in the continental United States. Fluctuations in this ratio have generally followed the trend revealed by private carrier data. From a low of 66 percent in 1948 the ratio rose to a high of 74 percent in 1950; it then leveled off at approximately 69 percent until 1956, when it advanced to 73 percent.

The loss ratios computed in table 10 are not strictly comparable, however, with those reported for private carriers in table 9. First, the premium income of State funds often reflects advance discounts on manual rates that standard risks are charged; the premium income reported for private carriers generally does not take into account dividends returnable to policyholders or retrospective rating adjustments. Second, the premium charges of some State funds, especially exclusive funds, do not or need not include allowances for certain

Table 9.—Countrywide experience of stock and mutual companies operating in the State of New York, 1939–56

[Amounts in thousands]

Year	Premiums earned	Losses incurred	Loss ratio	Expenses incurred	Expense ratio	Net gain ratio
Stock companies						
1939–47 total.....	\$1,934,554	\$1,110,676	57.4	\$733,512	37.9	4.7
1948–56 total.....	3,920,104	2,318,171	59.1	1,403,189	35.8	5.1
1948.....	345,754	182,026	52.6	127,238	36.8	10.6
1949.....	336,660	176,410	52.4	125,574	37.3	10.3
1950.....	337,567	207,266	61.4	131,651	39.0	—4
1951.....	384,025	257,268	67.0	142,857	37.2	—4.2
1952.....	441,611	284,065	64.3	155,447	35.2	.5
1953.....	489,697	292,425	59.7	170,414	34.8	5.5
1954.....	503,610	279,000	55.4	174,753	34.7	9.9
1955.....	519,231	304,789	58.7	179,135	34.5	6.8
1956.....	561,949	334,922	59.6	196,120	34.9	5.5
Mutual companies <sup>1</sup>						
1939–47 total.....	\$1,200,334	\$684,948	57.1	\$273,267	22.8	20.1
1948–56 total.....	2,614,500	1,533,125	58.6	626,992	24.0	17.4
1948.....	226,194	118,978	52.6	51,708	22.9	24.5
1949.....	230,829	133,188	57.7	54,476	23.6	18.7
1950.....	230,294	143,013	62.1	55,961	24.3	13.6
1951.....	278,177	173,601	62.4	67,597	24.3	13.3
1952.....	311,580	193,655	62.2	72,910	23.4	14.4
1953.....	345,941	207,090	59.9	81,296	23.5	16.6
1954.....	330,384	183,604	55.6	78,631	23.8	20.6
1955.....	322,637	183,258	56.8	79,369	24.6	18.6
1956.....	338,464	196,648	58.1	84,954	25.1	16.8

<sup>1</sup> All figures disregard dividends to policyholders, which, if taken into consideration, result in higher loss ratios and expense ratios; net gain ratio represents ratio before dividends to policyholders.

Source: Compiled from data in the Annual Reports of the New York State Insurance Department and from data in the Annual Casualty-Surety Editions of the *Eastern Underwriter*.

<sup>14</sup> W. S. McCormick, "Problems and Methods of Handling Small Risks and Excluded Employers Who May Want Voluntary Coverage." *Workmen's Compensation Problems—IAIABC Proceedings*, 1954, Department of Labor, Bureau of Labor Standards (Bulletin 180), pages 89–90.

items that are included in the premium charges of private carriers—for example, administrative services that are financed through public appropriations or provided by other government departments, taxes and other special assessments, and maintenance of adequate reserves. Third, benefit outlays for the State funds reflect the fact that in most instances the States insure an undue proportion of the high-hazard undesirable risks, many of which cannot get insurance from private carriers. These three factors combine to increase the loss ratio for State funds. The ratio is based, however, on losses paid and is lower than it would be if based on losses incurred.

Since competitive State funds spend a very small proportion of premiums for business-getting, and exclusive State funds spend practically nothing at all, it is to be expected that the expense ratios of State funds are lower than those of private carriers. For the years 1948-56, administrative costs (excluding loss adjustment expenses for certain competitive funds) of all State funds averaged 9.0 percent of premiums written (table 10). Exclusive funds devoted, on the average, 6.9 percent of premiums to expenses and competitive

**Table 10.—Benefit payments and administrative expenses in relation to premiums written, 18 State funds, 1948-56<sup>1</sup>**

[Amounts in millions]

Year	Premiums written <sup>2</sup>	Benefits paid	Benefits as percent of premiums	Administrative expenses <sup>3</sup>	Expenses as percent of premiums
Total	\$2,019.6	\$1,408.2	69.7	\$181.4	9.0
1948.....	164.4	108.4	65.9	14.0	8.5
1949.....	166.2	118.1	71.1	15.4	9.3
1950.....	172.1	126.7	73.6	16.5	9.6
1951.....	204.9	140.9	68.8	18.6	9.1
1952.....	228.6	158.3	69.2	20.4	8.9
1953.....	250.1	170.4	68.1	21.9	8.8
1954.....	265.9	183.2	68.9	24.1	9.1
1955.....	280.1	192.6	68.8	24.4	8.7
1956.....	287.3	209.6	73.0	26.1	9.1

<sup>1</sup> For 8 States, fiscal-year data converted to calendar-year data.

<sup>2</sup> Disregards dividends to policyholders.

<sup>3</sup> Excludes loss adjustment expenses for certain competitive State funds, estimated at 5-8 percent of premiums. Includes administrative expenses financed through appropriations from general revenue.

Source: Data on premiums and benefits from *Spectator: Insurance by States*, annual issues, and from State reports. Data on administrative expenses from *Argus Casualty and Surety Chart*, annual issues, and State reports.

funds 10.7 percent. These ratios do not vary significantly from year to year. Loss adjustment expenses are estimated to amount to 5-8 percent of premium income.

A comparison of the expense ratios of State funds and private carriers must, however, like the comparison of their loss ratios, be made carefully. Private carriers include in their expense loading certain charges, as noted above, that not all State funds are required to meet out of their premium income—taxes, for example, and those administrative expenses that are absorbed by other government departments. In addition, private carriers generally provide special consultative services in the fields of accident prevention, rehabilitation, payroll auditing, program planning and merit rating that are often inadequately furnished by State funds. The experience of nonparticipating stock companies in 1956 showed that, out of the 36.8 percent of premiums allocated for expense loading, 11.8 percent was devoted to these items—3.4 percent for taxes, licenses, and fees, 1.3 percent for inspection and safety engineering, 2.2 percent for payroll auditing, and 4.9 percent for merit rating and other underwriting services.<sup>15</sup> Mutual companies spent 9.8 percent (out of their 25.3-percent expense loading) for these items—2.8 percent for taxes, licenses, and fees, 2.3 percent for safety inspection, 1.1 percent for payroll auditing, and 3.6 percent for merit rating and other underwriting services. The expense ratio of some State funds, however, would be lower than indicated if the premium volume were adjusted to include the amounts appropriated from general revenues for the operation of the State funds.

### State Administrative Costs

In treating workmen's compensation costs, no consideration has as yet been given to the amounts disbursed by State-created commissions, departments, and agencies in administering the workmen's compensation laws and supervising the operations of the insurance medium—the private carrier, the self-insurer, and/

<sup>15</sup> National Council on Compensation Insurance, *Insurance Expense Exhibit (Countrywide) for the Year Ending December 31, 1956*, sheets 1 and 3.

**Table 11.—Administrative costs of State agencies by method of financing, 38 States, 1950-56<sup>1</sup>**

[Amounts in millions]

Fiscal year	Total administrative costs	Financed through legislative appropriations		Financed through assessments on carriers	
		Amount	Percent	Amount	Percent
1950.....	\$12.5	\$4.6	37	\$7.9	63
1951.....	12.9	4.6	36	8.3	64
1952.....	14.1	5.1	36	9.0	64
1953.....	15.5	5.3	34	10.2	66
1954.....	16.1	5.6	35	10.5	65
1955.....	16.8	5.8	35	11.0	65
1956.....	17.4	6.1	35	11.3	65

<sup>1</sup> Includes the District of Columbia.

Source: Compiled from State budget, finance, and treasury documents and annual reports of State administrative agencies.

or the State fund. The amounts are relatively small—only \$17.4 million in the fiscal year 1955-56 for the District of Columbia and the 37 States for which data are available<sup>16</sup>—but they have a great effect on the quality of services rendered.

Not all these administrative costs represent a cost of workmen's compensation in addition to that charged employers in premiums. In one-half the jurisdictions the expenses are financed through assessments against the insurance mediums and are already reflected in the premium charges of carriers to employers. In the other half, the administrative expenses are financed through appropriations from the general treasury. Table 11 shows that during 1950-56 almost two-thirds of the aggregate administrative expenses were met through assessments on the carriers.

State administrators prefer to have workmen's compensation costs financed through assessments rather than legislative appropriations because it permits the administrative agency to be self-supporting and self-directing and offers greater as-

(Continued on page 30)

<sup>16</sup> Excluded are the seven States with exclusive funds and the system for Federal employees, where the task of administering the law is generally merged with that of providing insurance protection, so that separate cost figures for administrative functions cannot be obtained. Also excluded are four States where the laws are administered by the courts and it is impossible to separate the costs attributable to workmen's compensation from those attributable to other caseloads.

# Income of Old-Age and Survivors Insurance Beneficiaries: Highlights From Preliminary Data, 1957 Survey\*

THE national survey of a sample of beneficiaries conducted by the Bureau of Old-Age and Survivors Insurance in the fall of 1957 provides data on the amount and sources of income of aged beneficiaries and widowed mothers with entitled children. The following highlights are from preliminary tabulations of data from this survey.

## Aged Beneficiaries

### Total Money Income

Half the beneficiary couples had money incomes of less than \$183 a month and half had more; for single retired workers, the dollar income was about half as much and for aged widows it was less than half as much.

Total money income includes old-age, survivors, and disability insurance benefits and income from other permanent independent sources, such as employer pensions, veterans' compensation and pensions, private annuities, and assets; income from temporary sources, such as earnings and unemployment insurance; and supplementary income, such as public assistance and contributions from outside the household. It does not include such items as lump-sum proceeds from life insurance policies or profit-sharing plans and inheritances.

The quartile amounts of total money income are shown below for

	Beneficiary couples	Single retired workers	Aged widows
Lowest fourth had less than.....	\$1,500	\$770	\$640
Half had more and half had less than.....	2,190	1,140	880
Top fourth had more than.....	3,250	1,730	1,380

\* Division of Program Analysis, Bureau of Old-Age and Survivors Insurance.

retired workers with a wife entitled all year (referred to as "beneficiary couples"), for single retired workers (men and women combined), and for aged widows. These figures, which summarize the data in table 1, give a general picture of the total money income situation of beneficiaries in the 1957 survey year. Three-fourths of the couples had less than \$3,250 during the year; half had less than \$2,190. For single retired workers the corresponding dollar amounts were about half as much; for aged widows, less than half as much.

## Money Income Other Than OASI Benefits

Old-age and survivors insurance benefits provided practically all the money income of about one-fourth of the aged beneficiaries.

Aside from their old-age and survivors insurance benefits, 1 in every 5 beneficiary couples, more than 1 in every 4 single retired workers, and more than 1 in every 3 aged widows had no additional money income or had less than \$75 in additional income during the survey year.

One-fourth of the beneficiary

Table 1.—Total money income:<sup>1</sup> Percentage distribution of beneficiary groups,<sup>2</sup> by amount during 1957 survey year<sup>3</sup>

[Preliminary figures]

Total money income	Married couples					Single retired workers			Aged widows	Widowed mothers with entitled children
	Total	Husband, retired worker			Wife, retired worker <sup>1</sup>	Total	Men	Women		
		Wife entitled all year	Wife became entitled in year	Wife not entitled						
Number of groups in sample.....	1,840	1,088	238	441	*73	1,613	824	789	629	889
Total.....	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
Less than \$600.....	1.4	1.4	1.3	1.6	*1.4	11.3	9.5	13.3	20.8	*4.4
600-899.....	3.9	3.8	4.6	3.6	*5.5	24.1	23.3	25.0	31.0	2.1
900-1,199.....	8.1	8.5	8.4	8.2		18.2	19.2	17.1	17.3	4.3
1,200-1,499.....	10.8	11.3	8.8	10.9	*8.2	13.8	14.6	12.9	10.0	6.3
1,500-1,799.....	10.7	12.1	10.1	8.6	*4.1	9.9	9.7	10.0	6.8	8.7
1,800-2,099.....	10.1	9.9	11.8	8.8	*15.1	6.8	5.8	7.9	3.5	7.2
2,100-2,399.....	10.1	10.2	13.0	7.9	*11.0	5.0	5.7	4.2	2.5	8.8
2,400-2,699.....	8.1	8.1	11.3	6.8	*5.5	2.6	2.8	2.4	2.2	9.6
2,700-2,999.....	6.1	6.3	6.7	5.4	*5.5	1.5	1.5	1.6	1.3	6.1
3,000-3,999.....	14.6	13.2	13.4	18.4	*16.4	2.6	2.5	2.7	1.9	25.2
4,000-4,999.....	6.4	5.1	5.5	8.6	*15.1	1.9	2.3	1.5	.2	10.8
5,000-9,999.....	7.6	7.3	3.8	9.5	*12.3	2.0	2.7	1.3	1.7	10.0
10,000 or more.....	2.1	2.7	1.3	1.6		.3	.5	.1	.6	.6
Median.....	\$2,249	\$2,186	\$2,216	\$2,415	*\$2,662	\$1,140	\$1,170	\$1,106	\$882	\$2,831

\* Percentage and median computed on small base and therefore subject to large sampling variation.

<sup>1</sup> Represents cash receipts from all sources except sale of property, tax refunds, large cash gifts, lump-sum inheritances and insurance payments, and cash contributions by relatives within the household. Includes, where the amount was known, the value of bills (except medical bills) paid by relatives outside the household.

<sup>2</sup> Represents 1 person for single retired workers and aged widows, 2 persons for married couples

(whether or not the spouse was entitled to benefits), and 2 or more persons for widowed mothers with entitled children.

<sup>3</sup> The "survey year" was a period of 12 consecutive calendar months ended in September, October, or November 1957, depending on the date of the interview.

<sup>4</sup> Husband not entitled to benefits.

<sup>5</sup> Sample includes 1 group with negative income because of negative earnings in self-employment.



	Beneficiary couples	Single retired workers	Aged widows
Lowest fourth had none or less than.....	\$230	\$60	\$3
Half had more and half had less than.....	900	470	270
Top fourth had more than.....	1,840	1,040	800

couples had more than \$1,840 in money income besides their old-age and survivors insurance benefits; one-fourth of the single workers had more than \$1,040 in additional income; one-fourth of the aged widows had money income of more than \$800 besides their benefits.

For approximately a fourth of the entitled couples and aged widows and a third of the single retired workers the additional money income was derived entirely from temporary sources, such as earnings, or from supplementary sources, such as contributions or public assistance.

### Independent Money Retirement Income

More than half the aged beneficiaries had less than \$75 a month per person in total independent retirement income.

Independent money retirement income includes 12 months' old-age and survivors insurance benefits<sup>1</sup> and other independent income that beneficiaries could reasonably expect to continue in future years in approximately the same amounts as in the survey year. Besides benefits, the "retirement income" category includes employer and union pensions, veterans' pensions, income from trust funds and other annuities, and rents, interest, and dividends.

A fourth of the couples had less than \$100 a month, and almost one-fourth had more than \$200. The single beneficiaries had about half as much as the couples.

### Independent Money Retirement Income Other Than OASI Benefits

#### Old-age and survivors insurance

<sup>1</sup> For couples with wife entitled all or part of the survey year, 12 months' benefits of both husband and wife are included. No benefits are included for nonentitled wives, or for husbands in the couples where the wife is the retired worker.

Table 2.—Money income other than OASI benefits:<sup>1</sup> Percentage distribution of beneficiary groups,<sup>2</sup> by amount during 1957 survey year<sup>3</sup>

[Preliminary figures]

Money income other than benefits	Married couples					Single retired workers			Aged widows	Wid- owed moth- ers with en- titled child- ren
	Total	Husband, retired worker			Wife, retired work- er <sup>1</sup>	Total	Men	Women		
		Wife en- titled all year	Wife became en- titled in year	Wife not en- titled						
Total.....	100.0	100.0	100.0	100.0	*100.0	100.0	100.0	100.0	100.0	100.0
No other income <sup>2</sup> .....	8.9	11.7	8.4	3.6	*1.4	17.9	21.4	14.2	24.6	9.0
Other income.....	91.1	88.3	91.6	96.4	*98.6	82.1	78.6	85.8	75.4	91.1
Less than \$75.....	5.5	7.3	3.8	2.9	.....	9.2	8.6	9.8	12.2	4.0
75-149.....	2.4	3.0	3.8	.2	*2.7	5.0	5.1	4.8	5.6	2.0
150-299.....	5.0	5.8	5.9	3.2	*1.4	8.6	8.5	8.7	9.4	4.9
300-599.....	9.6	10.5	11.3	7.7	*2.7	16.7	15.2	18.3	14.0	7.8
600-899.....	11.5	11.9	14.7	10.7	*1.4	12.5	11.3	13.8	13.7	10.1
900-1,199.....	10.3	9.5	13.4	10.7	*9.6	11.2	11.7	10.6	7.5	9.8
1,200-1,499.....	9.6	8.8	11.3	10.9	*6.8	6.7	5.9	7.5	3.7	7.0
1,500-1,799.....	6.3	5.9	6.3	6.1	*13.7	2.9	2.7	3.0	2.2	6.4
1,800-2,099.....	5.1	5.1	3.8	4.8	*9.6	1.9	1.2	2.7	1.0	5.6
2,100-2,399.....	4.2	3.6	2.9	5.9	*6.8	1.4	1.2	1.1	1.4	4.6
2,400-2,699.....	3.9	2.8	3.8	6.6	*4.1	1.1	1.0	1.1	1.0	5.6
2,700-2,999.....	2.0	1.0	1.7	3.9	*5.5	.7	.5	.9	.3	4.2
3,000-3,999.....	6.6	5.4	3.8	9.5	*15.1	1.8	1.9	1.6	1.1	9.2
4,000-4,999.....	3.3	2.2	2.1	5.2	*12.3	1.0	1.1	.9	.3	5.1
5,000-9,999.....	4.2	3.5	1.7	6.8	6.8	1.4	2.1	.8	1.4	4.4
10,000 or more.....	1.7	2.0	1.3	1.4	.....	.2	.4	.1	.6	.2
Median, all groups.....	\$1,105	\$898	\$947	\$1,506	*\$2,130	\$469	\$427	\$505	\$271	\$1,299
Median, groups with income other than benefits.....	1,237	1,082	1,041	1,594	*2,160	639	652	629	525	1,490

\* Percentage and median computed on small base and therefore subject to large sampling variation.

<sup>1</sup> Represents cash receipts from all sources except OASI benefits and sale of property, tax refunds, large cash gifts, lump-sum inheritances and insurance payments, and cash contributions by relatives within the household. Includes, where amount was

known, the value of bills (except medical bills) paid by relatives outside the household.

<sup>2</sup> See footnotes 2, 3, and 4, table 1.

<sup>3</sup> Sample includes 5 married couples, 4 single retired workers, 3 aged widows, and 1 widowed mother with entitled children with negative or break-even money income other than benefits.

Table 3.—Independent money retirement income:<sup>1</sup> Percentage distribution of beneficiary groups,<sup>2</sup> by amount during 1957 survey year<sup>3</sup>

[Preliminary figures]

Independent money retirement income	Married couples					Single retired workers				Aged widows	Wid- owed moth- ers with en- titled chil- dren
	Total	Husband, retired worker				Total	Men	Women			
		Wife en- titled all year	Wife became en- titled in year	Wife not en- titled	Wife, retired work- er *						
Total.....	100.0	100.0	100.0	100.0	*100.0	100.0	100.0	100.0	100.0	100.0	
Less than \$600.....	8.8	5.9	5.9	12.2	*41.1	27.7	20.5	35.2	36.6	3.1	
600-899.....	9.1	6.2	6.7	15.9	*17.8	29.3	29.7	28.9	32.9	9.3	
900-1,199.....	14.0	12.7	10.9	19.7	*9.6	15.8	17.8	13.7	10.5	12.0	
1,200-1,499.....	14.2	14.2	14.7	16.1	*1.4	9.9	11.4	8.4	6.7	14.7	
1,500-1,799.....	14.5	16.6	14.3	10.4	*6.8	6.4	7.4	5.3	4.0	14.1	
1,800-2,099.....	10.8	12.6	9.7	7.5	*8.2	3.3	4.0	2.7	2.2	12.5	
2,100-2,399.....	7.8	8.3	8.4	6.3	*6.8	2.9	4.4	1.4	1.7	8.5	
2,400-2,699.....	5.2	5.8	8.8	2.0	*2.7	1.3	1.5	1.1	1.4	11.2	
2,700-2,999.....	2.9	3.2	5.0	1.6	-----	.6	.2	.9	1.1	3.7	
3,000-3,999.....	7.0	7.8	8.8	4.3	*4.1	1.0	.7	1.3	.8	6.7	
4,000-4,999.....	2.3	2.6	3.4	1.6	-----	.6	.8	.3	.2	1.8	
5,000-9,999.....	2.4	2.7	2.5	1.8	*1.4	1.1	1.2	.9	1.3	1.9	
10,000 or more.....	1.0	1.4	.8	.5	-----	.1	.2	-----	.6	.2	
Median.....	\$1,580	\$1,697	\$1,747	\$1,240	*\$750	\$828	\$898	\$753	\$722	\$1,729	

\* Percentage and median computed on small base and therefore subject to large sampling variation.

<sup>1</sup> Represents 12 months' OASI benefits and money income received during survey year from employer, union, and veterans' pension; rents, interest, divi-

dends, and annuities; and income from trust funds and from other reasonably permanent independent sources.

<sup>2</sup> See footnotes 2, 3, and 4, table 1.

Table 4.—*Independent money retirement income other than OASI benefits:<sup>1</sup> Percentage distribution of beneficiary groups,<sup>2</sup> by amount during 1957 survey year<sup>3</sup>*

[Preliminary figures]

Independent money retirement income other than benefits	Married couples					Single retired workers			Aged widows	Widowed mothers with entitled children
	Total	Husband, retired worker				Total	Men	Women		
		Wife entitled all year	Wife became entitled in year	Wife not entitled	Wife, retired worker *					
Total.....	100.0	100.0	100.0	100.0	*100.0	100.0	100.0	100.0	100.0	100.0
No other income <sup>5</sup> .....	31.5	30.3	34.5	32.0	*37.0	44.3	47.7	40.8	43.2	49.3
Other income.....	68.5	69.7	65.5	68.0	*63.0	55.7	52.3	59.2	56.8	50.7
Less than \$75.....	13.5	14.2	10.1	13.6	*15.1	15.9	12.5	19.5	17.5	13.6
75-149.....	4.6	4.2	5.0	5.2	*4.1	5.6	4.0	7.4	5.6	3.1
150-299.....	6.9	7.4	5.9	6.3	*6.8	5.3	5.0	5.6	5.2	3.8
300-599.....	9.4	10.5	8.0	8.4	*4.1	8.4	8.6	8.2	7.2	6.3
600-899.....	7.8	8.1	10.1	5.9	*6.8	6.6	5.3	8.0	8.4	7.0
900-1,199.....	7.6	5.4	7.1	13.4	*5.5	6.3	8.5	4.1	4.5	3.3
1,200-1,499.....	4.8	5.5	4.6	3.9	*1.4	3.0	4.0	1.9	1.9	3.8
1,500-1,799.....	2.7	2.7	3.4	2.0	*5.5	1.2	1.2	1.3	1.6	2.2
1,800-2,099.....	2.8	2.8	2.5	2.3	*6.8	.5	.2	.8	.8	2.1
2,100-2,399.....	1.7	2.1	.8	1.4	*1.4	.4	.4	.5	1.1	1.2
2,400-2,699.....	1.6	1.5	1.7	1.8	*1.4	.2	.2	.3	.3	1.1
2,700-2,999.....	.8	.6	1.3	.7	*2.7	.4	.4	.5	-----	.8
3,000-3,999.....	1.6	1.8	2.1	.9	-----	.4	.5	.3	.8	.9
4,000-4,999.....	.8	.6	1.3	.9	*1.4	.4	.4	.5	.3	.4
5,000-9,999.....	1.2	1.4	1.3	.9	-----	.7	.8	.5	1.0	.9
10,000 or more.....	.8	1.1	.4	.5	-----	.1	.2	-----	.6	-----
Median, all groups.....	\$158	\$176	\$161	\$139	*\$66	\$28	\$15	\$36	\$30	\$5
Median, groups with retirement income other than benefits	595	561	712	623	660	335	463	223	303	528

\* Percentage and median computed on small base and therefore subject to large sampling variation.

<sup>1</sup> Represents money income received during survey year from employer, union, and veterans' pensions; rents, interest, dividends, and annuities; and income from trust funds and from other reasonably permanent sources.

<sup>2</sup> See footnotes 2, 3, and 4, table 1.

<sup>3</sup> Sample includes 17 married couples, 10 single retired workers, 3 aged widows, and 3 widowed mothers with entitled children with negative or break-even independent retirement income other than benefits.

benefits provided practically all the independent retirement income for more than half of the aged beneficiaries.

Forty-four percent of the beneficiary couples and 60 percent of the single retired workers and aged widows had no independent retirement income in addition to their old-age and survivors insurance benefits or had less than \$75 for the entire year. The top fourth of the couples had more than \$900, and the top fourth of the single retired workers and aged widows more than \$440, in independent retirement income besides their benefits.

### Employer and Union Pensions

Twenty-three percent of the men and 12 percent of the women retired workers had employer or union pensions.

One in 4 married men and practically 1 in 5 single men—23 percent of all men retired workers—received employer or union pensions. Fewer

women retired workers—12 percent—received pensions. Widows rarely received survivors benefits from pension plans; 2 percent of the aged widows received employer or union pensions, and the pensions received by some of them were based on the widow's own employment.

The amounts received as employer or union pensions ranged from a few dollars to \$10,000 or more. The median pension amount received by beneficiary couples during the survey year was \$800, and by single men retired workers, \$700.

### Veterans' Compensation and Pensions

Relatively few beneficiaries received veterans' compensation or pensions.

Six percent of the men beneficiaries received veterans' compensation or pensions. Four percent of the women retired workers and 6 percent of the aged widows received

veterans' payments based on the deceased husband's record.

Veterans' payments substantially increased the permanent income of beneficiaries receiving such payments. Seventy percent of the men retired workers with such payments received between \$900 and \$1,200 from this source during the survey year; most of the women with payments received between \$600 and \$900.

### Money Income From Assets

Two-thirds of the beneficiary groups had little or no money income from assets (interest, dividends, and rents).

Three-fifths of the beneficiary couples, three-fourths of the single retired workers, and two-thirds of the aged widows had no money income or less than \$75 for the year in the form of interest, dividends, or net rental income.

Asset income amounted to \$600 or more during the survey year for 1 in every 6 couples, 1 in every 8 aged widows, and 1 in every 14 single retired workers.

The median amount of money income from assets for those having any asset income was \$200 for the couples, \$100 for single retired workers, and \$150 for aged widows.

### Earnings

Thirty-five percent of the retired beneficiaries had earnings; 12 percent earned \$1,200 or more during the year.

Forty percent of the married men workers had earnings, as against 29 percent of the single men. Fifteen percent of the aged widows reported earnings.

For beneficiary groups with income from employment the median amount of earnings was \$1,030 for the beneficiary couples, \$590 for the single men and \$600 for the single women retired workers, and \$410 for the aged widows.

### Public Assistance

One in 10 aged beneficiary groups received public assistance income during the survey year.

Six percent of the couples, 14 percent of the single retired workers, and 12 percent of the aged widows reported that they had received public assistance payments during

**Table 5.—Money income from employer and union pensions:<sup>1</sup> Percentage distribution of beneficiary groups,<sup>2</sup> by amount during 1957 survey year<sup>3</sup>**

[Preliminary figures]

Pension income	Married couples					Single retired workers			Aged widows	Widowed mothers with entitled children
	Total	Husband, retired worker			Wife, retired worker <sup>4</sup>	Total	Men	Women		
		Wife entitled all year	Wife became entitled in year	Wife not entitled						
Total.....	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
No pension income.....	74.7	74.3	70.6	77.8	*76.7	84.9	81.2	88.8	97.6	96.8
Pension income.....	25.3	25.7	29.4	22.2	*23.3	15.1	18.8	11.2	2.4	3.1
Less than \$75.....	.8	.8	.8	.7	-----	.3	.4	.3	-----	-----
75-149.....	.4	.5	.4	.5	-----	.6	.6	.6	.3	.2
150-299.....	3.3	3.8	3.4	2.5	-----	1.5	1.9	1.9	.3	.3
300-599.....	4.1	4.1	4.2	4.5	*1.4	4.3	5.0	3.7	.5	.4
600-899.....	5.2	5.4	7.1	3.9	*2.7	3.8	4.7	2.8	.6	.6
900-1,199.....	2.4	2.5	2.5	2.3	*2.7	1.7	1.9	1.4	.3	.6
1,200-1,499.....	3.5	3.2	5.5	3.4	*2.7	1.5	2.5	.5	.2	.4
1,500-1,799.....	1.3	.8	1.7	1.8	*4.1	.3	.5	.1	-----	-----
1,800-2,099.....	1.6	1.6	1.3	1.1	*5.5	.2	.4	-----	-----	.1
2,100-2,399.....	.8	.9	.4	.7	-----	.1	.1	.1	.2	-----
2,400-2,699.....	.3	.6	-----	-----	-----	.2	.2	.1	-----	.1
2,700-2,999.....	.2	-----	-----	.5	*2.7	.1	-----	.1	-----	-----
3,000-3,999.....	.7	.7	1.7	-----	*1.4	.1	.1	.1	-----	-----
4,000-4,999.....	.2	.3	-----	.2	-----	.1	.2	-----	-----	.2
5,000-9,999.....	.4	.5	.4	.2	-----	.1	.1	.1	-----	.1
10,000 or more.....	.1	.1	-----	-----	-----	-----	-----	-----	-----	-----
Median for groups with pension income.....	\$835	\$803	*\$847	*\$829	*\$1,650	\$657	\$696	*\$590	*\$638	*\$899

<sup>1</sup> \* Percentage and median computed on small base and therefore subject to large sampling variation.  
<sup>2</sup> <sup>1</sup> Represents money income received as retirement pay from public or private employee-benefit plans,

railroad retirement benefits, and union pensions financed entirely by members.  
<sup>3</sup> <sup>2</sup> <sup>3</sup> <sup>4</sup> See footnotes 2, 3, and 4, table 1.

**Table 6.—Money income from veterans' compensation and pensions:<sup>1</sup> Percentage distribution of beneficiary groups,<sup>2</sup> by amount during 1957 survey year<sup>3</sup>**

[Preliminary figures]

Veterans' compensation and pensions	Married couples					Single retired workers			Aged widows	Widowed mothers with entitled children
	Total	Husband, retired worker			Wife, retired worker <sup>4</sup>	Total	Men	Women		
		Wife en- titled all year	Wife be- came en- titled in year	Wife not en- titled						
Total.....	100.0	100.0	100.0	100.0	*100.0	100.0	100.0	100.0	100.0	100.0
No Veterans Ad- ministration pay- ments.....	94.0	96.3	95.8	86.8	*95.9	94.4	92.7	96.2	94.1	84.9
Veterans Adminis- tration payments	6.0	3.7	4.2	13.2	*4.1	5.6	7.3	3.8	5.9	15.1
Less than \$300.....	.1			.2	*1.4	.1	.1			.1
300-599.....	.2	.1		.5		.2	.4		.2	1.0
600-899.....	.2			.7	*1.4	1.7	.8	2.5	4.3	6.1
900-1,199.....	4.3	2.3	2.9	10.7	*1.4	2.7	5.0	.4	1.4	1.9
1,200-1,499.....	.8	.9	.4	.7		.7	1.0	.5		1.9
1,500-1,799.....	.2	.3		.2		.2		.4		1.3
1,800-2,099.....	.1		.4							1.2
2,100-2,399.....										.7
2,400-2,699.....	.2	.1	.4	.2						.4
2,700 or more.....										.3
Median for groups with veterans' compensation and pensions.....	\$1,074	*\$1,128	*\$1,114	*\$1,047	*\$750	*\$965	*\$1,039	*\$825	*\$794	*\$953

\*Percentage and median computed on small base and therefore subject to large sampling variation.  
<sup>1</sup> Represents money income received from the Veterans Administration by veterans and survivors

of veterans as non-service-connected pensions or service-connected compensation.  
<sup>2</sup> <sup>3</sup> <sup>4</sup> See footnotes 2, 3, and 4, table 1.

the survey year. They comprised 10 percent of all aged beneficiary groups. In addition, some beneficiary groups received no cash payments but had medical bills paid directly by public assistance.

For beneficiary groups with such income, the median amount of public assistance payments received during the year was \$730 for the beneficiary couples, \$490 for the single retired workers, and \$460 for the aged widows.

### Contributions by Relatives Outside the Household

Less than 10 percent of the beneficiaries were helped by cash contributions from relatives outside the household.

Five percent of the beneficiary couples, 8 percent of the single retired workers, and 11 percent of the aged widows reported cash contributions from relatives outside the household. Additional beneficiaries had medical bills paid by adult children outside the household.

For the couples having such contributions, the median amount of the cash contributions received was about \$300; for single retired workers, it was \$210; and for aged widows, it was \$310.

Earlier studies have shown that most of the support from adult children or other relatives is provided by relatives within the joint households. In the 1951 survey, 5 percent of the aged beneficiary groups received cash contributions of \$100 or more from relatives outside the household and 25 percent were partially supported by relatives within the household. The corresponding figures for support by relatives within the household in 1957 have not been computed.

### Widowed Mothers With Entitled Children

#### Total Money Income

Half the mother-child groups had money incomes of more than \$2,830 from all sources during the year, and half had less. These groups consist of a widowed mother with minor children—ranging in number from one to half a dozen or more—entitled to old-age and survivors insurance benefits.



One beneficiary group out of every 15 had less than \$1,200 in total annual income, 1 in 5 had less than \$1,800, and almost 2 in 5 had less than \$2,400. About 1 group in 5 had \$4,000 or more in total income.

Old-age and survivors insurance payments comprised virtually the sole income of one-eighth of the mother-child groups. One in 5 had nothing or less than \$25 a month besides benefits. Almost 2 in 5 had nothing or less than \$75 a month, and about half had nothing or less than \$100 a month in addition to benefits.

### Independent Permanent Income

More than half the mother-child groups had little if any independent permanent income except old-age and survivors insurance benefits—that is, additional income expected to continue until the youngest child reached age 18. Three out of every 5 beneficiary groups had no such income except old-age and survivors insurance benefits or had less than \$75 during the year. About 1 in 4 had \$50 or more a month, and 1 in 7 had \$100 or more a month, in independent permanent income.

Including old-age and survivors insurance benefits, independent permanent income was less than \$2,400 a year for three-fourths of these mother-child groups. Not quite half of them had \$1,800 or more in income from all permanent sources combined.

### Independent Sources of Income Other Than OASI Benefits

Other than old-age and survivors insurance benefits, veterans' survivor compensation or pensions were the most important of the independent sources of income for the mother-child groups. Fifteen percent of these groups reported some income from this source; 6 percent had \$1,200 or more. The modal amount of veterans' compensation or pensions was in the \$600 to \$900 a year bracket, reported by 2 out of every 5 mother-child groups having such income.

Assets were a relatively unimportant source of income in terms of amount of income received. Almost

Table 7.—Income from assets:<sup>1</sup> Percentage distribution of beneficiary groups,<sup>2</sup> by amount during 1957 survey year<sup>3</sup>

[Preliminary figures]

Income from assets	Married couples					Single retired workers				Aged widows	Widowed mothers with entitled children
	Total	Husband, retired worker			Wife, retired worker <sup>4</sup>	Total	Men	Women			
		Wife entitled all year	Wife became entitled in year	Wife not entitled							
Total.....	100.0	100.0	100.0	100.0	*100.0	100.0	100.0	100.0	100.0	100.0	
No asset income.....	41.1	37.6	45.4	46.5	*46.6	54.9	62.1	47.3	47.9	62.0	
Asset income.....	58.9	62.4	54.6	53.5	*53.4	45.1	37.9	52.7	52.1	38.0	
Less than \$75.....	21.0	21.8	16.8	20.9	*23.3	19.9	17.2	22.7	20.3	17.4	
75-149.....	6.9	6.7	6.7	7.7	*5.5	7.4	5.9	8.9	5.7	5.6	
150-299.....	8.0	8.4	8.4	6.3	*11.0	5.1	4.5	5.8	5.7	5.1	
300-599.....	9.1	9.9	8.0	8.6	*2.7	6.0	4.9	7.1	8.1	4.6	
600-899.....	4.3	4.7	5.5	2.7	*5.5	2.9	1.6	4.3	3.7	1.8	
900-1,199.....	2.6	2.7	2.5	2.7	*1.4	1.1	1.1	1.1	2.2	.9	
1,200-1,499.....	1.5	1.7	1.3	.9	*2.7	.6	.6	.5	1.1	.8	
1,500-1,799.....	1.1	1.3	.8	.9	*1.4	.3	.1	.5	1.3	.3	
1,800-2,099.....	.5	.6	.8	.2	-----	.2	.1	.4	1.1	.3	
2,100-2,399.....	.7	.9	.4	.2	-----	.2	.1	.3	.8	.1	
2,400-2,699.....	.4	.6	.8	-----	-----	.2	.4	.1	.2	.1	
2,700-2,999.....	.3	.4	.4	-----	-----	.2	.1	.3	-----	.2	
3,000-3,999.....	.9	1.3	.4	.5	-----	.4	.5	.4	.5	.3	
4,000-4,999.....	.3	-----	.8	.7	-----	.1	.1	.1	.5	.1	
5,000 or more.....	1.4	1.6	.8	1.1	-----	.4	.6	.3	1.0	.2	
Median for groups with asset income...	\$180	\$199	\$218	\$132	*\$122	\$102	\$96	\$106	\$149	\$96	

\* Percentage and median computed on small base and therefore subject to large sampling variation.

<sup>1</sup> Represents interest, dividends, and rental income.

<sup>2</sup> See footnotes 2, 3, and 4, table 1.

Table 8.—Earnings<sup>1</sup> of retired-worker, aged-widow, and widowed-mother beneficiaries: Percentage distribution, by amount during 1957 survey year<sup>2</sup>

[Preliminary figures]

Earnings	Married couples					Single retired workers				Aged widows	Widowed mothers with entitled children
	Total	Husband, retired worker			Wife, retired worker <sup>a</sup>	Total	Men	Women			
		Wife entitled all year	Wife became entitled in year	Wife not entitled							
Total.....	100.0	100.0	100.0	100.0	*100.0	100.0	100.0	100.0	100.0	100.0	
Not employed.....	60.9	61.9	57.6	57.4	*78.1	67.2	71.0	63.2	85.4	36.2	
Employed.....	39.1	38.1	42.4	42.6	*21.9	32.8	29.0	36.8	14.6	63.8	
Loss or zero earnings.....	.8	.8	1.3	.5	-----	1.2	1.9	.5	.3	.7	
Less than \$75.....	2.8	2.7	3.4	2.9	*2.7	3.0	3.6	2.4	1.3	2.9	
75-149.....	1.4	1.5	2.5	.7	*1.4	1.7	1.9	1.5	2.2	2.9	
150-299.....	2.6	2.6	2.5	2.9	*1.4	3.2	2.4	4.1	2.5	5.4	
300-599.....	4.9	4.0	8.0	5.7	*5.5	7.3	4.7	10.0	2.7	4.7	
600-899.....	5.3	5.2	5.0	5.7	*4.1	4.1	3.6	4.6	1.6	6.3	
900-1,199.....	5.9	5.3	7.1	6.6	*5.5	3.2	2.3	4.1	1.7	7.5	
1,200-1,499.....	3.4	3.2	5.0	3.4	*1.4	3.3	1.7	4.9	.8	4.4	
1,500-1,799.....	1.5	1.4	.8	2.5	-----	1.2	1.2	1.1	.2	2.8	
1,800-2,099.....	1.0	1.2	1.3	.7	-----	.8	1.0	.6	.2	3.0	
2,100-2,399.....	1.1	1.1	1.7	.9	-----	.5	.5	.5	-----	2.8	
2,400-2,699.....	1.2	1.5	.8	1.1	-----	.9	.6	1.3	.3	4.6	
2,700-2,999.....	.9	1.0	.4	.9	-----	.2	.4	.1	.2	3.0	
3,000-3,999.....	2.7	3.0	1.7	2.9	-----	.7	.8	.6	.3	8.5	
4,000-4,999.....	1.5	1.4	.4	2.5	-----	.7	1.1	.3	.2	2.9	
5,000-9,999.....	1.5	1.4	.4	2.7	-----	.6	1.0	.1	.2	1.1	
10,000 or more.....	.5	.9	-----	-----	-----	.1	.1	-----	-----	-----	
Median foremployed beneficiaries.....	\$989	\$1,032	\$812	\$1,034	\$590	\$594	\$588	\$596	\$406	\$1,296	

\* Percentage and median computed on small base and therefore subject to large sampling variation.

<sup>1</sup> Represents wages and salaries of \$1 or more, net income from farm and nonfarm self-employment,

and income from boarders or lodgers.

<sup>2</sup> See footnote 3, table 1.

<sup>3</sup> See footnote 4, table 1.

two-fifths of the mother-child groups had some income from real estate, interest, or dividends, but only one-fifth had \$75 or more during the survey year. Five percent had \$600 or more, and 2 percent had \$1,200 or more in income from assets.

Not more than 3 percent of the mothers received survivor payments from an employee benefit plan. Only 1 percent received as much as \$1,200 from this source during the year.

Other independent and reasonably permanent sources of income re-

garded as permanent income (but not as income from assets) are annuities from both private insurance and United States Government Life Insurance and long-term payments from workmen's compensation received by a few widowed mothers.

Table 9.—Money income from public assistance:<sup>1</sup> Percentage distribution of beneficiary groups,<sup>2</sup> by amount during 1957 survey year <sup>3</sup>

[Preliminary figures]

Public assistance income	Married couples					Single retired workers			Aged widows	Widowed mothers with entitled children
	Total	Husband, retired worker			Wife, retired worker <sup>4</sup>	Total	Men	Women		
		Wife entitled all year	Wife became entitled in year	Wife not entitled						
Total.....	100.0	100.0	100.0	100.0	*100.0	100.0	100.0	100.0	100.0	100.0
No public assistance.....	92.7	94.2	90.3	91.4	*84.9	86.3	85.8	86.8	88.2	93.9
Public assistance.....	7.3	5.8	9.7	8.6	*15.1	13.7	14.2	13.2	11.8	6.1
Less than \$75.....	.2	.....	.8	.5	.....	.6	.5	.6	.6	.1
75-149.....	.2	.1	.8	.2	.....	1.2	1.8	.6	.5	.....
150-299.....	.7	.4	.8	1.1	*1.4	1.9	2.4	1.4	3.0	.4
300-599.....	2.1	1.6	3.8	2.7	.....	5.0	5.6	4.4	3.2	1.3
600-899.....	2.2	2.0	1.7	2.9	*2.7	3.8	3.0	4.6	3.2	1.9
900-1,199.....	1.1	.7	1.3	.9	*6.8	1.1	.8	1.4	1.1	1.3
1,200-1,499.....	.7	.9	.4	.2	*1.4	.1	.....	.1	.....	.2
1,500-1,799.....	.....	.....	.....	.....	*1.4	.....	.....	.....	.2	.....
1,800-2,099.....	.1	.....	.....	.....	*1.4	.....	.....	.....	.....	.2
2,100-2,399.....	.1	.1	.....	.....	.....	.....	.....	.....	.....	.....
2,400 or more.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.3
Median for groups with public assistance income.....	\$670	*\$730	*\$483	*\$575	*\$1,050	\$487	\$427	\$566	*\$465	*\$776

\* Percentage and median computed on small base and therefore subject to large sampling variation.

<sup>1</sup> Represents money income from old-age assistance, aid to the blind, aid to the permanently and totally disabled, and general assistance.

<sup>2</sup> See footnotes 2, 3, and 4, table 1.

Table 10.—Contributions from persons outside household:<sup>1</sup> Percentage distribution of beneficiary groups,<sup>2</sup> by amount during 1957 survey year <sup>3</sup>

[Preliminary figures]

Contributions	Married couples					Single retired workers			Aged widows	Wid- owed moth- ers with en- titled chil- dren
	Total	Husband, retired worker			Wife, retired work- er 4	Total	Men	Women		
		Wife en- titled all year	Wife be- came en- titled in year	Wife not en- titled						
Total.....	100.0	100.0	100.0	100.0	*100.0	100.0	100.0	100.0	100.0	100.0
No contributions.....	95.2	94.7	95.4	95.9	*98.6	91.7	95.4	87.8	88.6	92.6
Contributions.....	4.8	5.3	4.6	4.1	*1.4	8.3	4.6	12.2	11.4	7.4
Less than \$75.....	1.2	1.7	.4	.7	-----	2.3	1.9	2.7	1.7	1.3
75-149.....	.7	.7	.8	.5	*1.4	1.1	.6	1.5	1.7	1.3
150-299.....	.4	.2	.8	.9	-----	1.9	1.1	2.8	2.1	1.8
300-599.....	1.0	1.0	.8	1.4	-----	1.7	.5	3.0	3.3	1.6
600-899.....	.7	.8	.8	.2	-----	.7	.5	1.0	1.1	.4
900-1,199.....	.2	.2	.4	.2	-----	.1	-----	.3	.8	.6
1,200-1,499.....	.2	.3	.4	-----	-----	.2	-----	.4	.2	.3
1,500-1,799.....	.2	.2	-----	.2	-----	.1	-----	.1	.2	-----
1,800 or more.....	.1	.2	-----	-----	-----	.2	-----	.4	.3	-----
Median for groups with contributions.	*\$299	*\$299	*\$375	*\$299	*\$149	\$213	*\$120	*\$252	*\$314	*\$234

\* Percentage and median computed on small base and therefore subject to large sampling variation.

<sup>1</sup> Represents cash contributions by persons outside the household and, where the amount was

known, the value of bills (except medical bills) paid by persons outside the household.

<sup>2</sup> See footnotes 2, 3, and 4, table 1.

## Temporary and Supplementary Income Sources

Earnings were the most important single source of income other than old-age and survivors insurance benefits for the mother-child groups. Sixty-four percent of the mothers had some employment during the survey year. One-third of all the mothers earned \$1,200 or more, and a fifth earned \$2,400 or more. The median earnings for the employed mothers was \$1,300. Half of all the mothers either had no earnings or earned less than \$420 during the survey year.

Others sources of temporary income (not evaluated separately in the tables) were limited payment annuities from private or government insurance, workmen's compensation payments, unemployment insurance payments, and children's earnings.

Six percent of the mother-child groups received public assistance payments. For those having such assistance, the median amount received during the year was approximately \$780.

About 7 percent received money contributions from relatives outside the household, 3 percent in amounts of \$300 or more during the year. The median amount received by those reporting such contributions was \$230.

## Scope and Method of the Survey

The 1957 survey of the resources of beneficiaries was the second national survey of its kind made by the Bureau of Old-Age and Survivors Insurance. The previous national survey made in 1951 had been preceded by eight spot surveys in 20 large and medium-sized cities between 1941 and 1949.

The 1957 survey covered a cross-section sample of the major types of beneficiaries on the rolls in December 1956: nonmarried retired-worker beneficiaries (men and

women); married couples with the husband the retired-worker beneficiary and with the wife either a beneficiary or a nonbeneficiary; married couples with the wife the retired-worker beneficiary and the husband a nonbeneficiary; aged-widow beneficiaries; and widowed mothers with entitled minor children. Because they were relatively few in number and would have created difficulties in statistical analysis if combined with the types selected for the study, the following beneficiary types were excluded from the survey sample: retired-worker and aged-widow beneficiaries with entitled children; women retired-workers with husband

receiving benefits based on his wife's earnings record; parents; widowers receiving benefits based on the deceased wife's earnings record; and children not living with their mothers. The aged beneficiaries in the types included in the sample comprised 98 percent of all aged beneficiaries with benefits in current-payment status in December 1956.

The sample was drawn from 70 sampling areas, which were selected in such a way as to produce a national probability sample when combined. It is a cross section of beneficiaries who became entitled to benefits from 1940 through September 1956 and represents different

racess, cultures, and types of communities in the United States.

The data were obtained in personal interviews in the homes of the beneficiaries by district office staff of the Bureau of Old-Age and Survivors Insurance. In addition to the source and amount of beneficiary group income, information was obtained on the amount and type of assets, liabilities and life insurance, health status of the beneficiaries at the time of the interview, health insurance coverage, medical care costs during the survey year and means of meeting these costs, longest and last regular occupation, and employment during the survey year.

## Notes and Brief Reports

### Money Income Sources for Young Survivors, December 1957\*

The old-age, survivors, and disability insurance program continued to grow in importance in 1957 as a source of support for orphaned children. At the end of that year, there were 1,230,000 children under age 18 in the continental United States drawing survivor benefits based on the employment record of a deceased father and 55,000 with benefits based on the mothers' work record. About 320,000 widowed mothers were receiving payments, and more than 70,000 others would have been receiving benefits if their earnings were reduced below the work-test limit.

*Orphaned children.*—The 1,230,000 paternal orphans receiving old-age and survivors insurance benefits in December 1957 made up 63 percent of the estimated 1,940,000 children with father dead (table 1). Although the total number of paternal orphans is estimated to have increased only fractionally during 1957, the number receiving insurance benefits under the social security program rose 8 percent. Veterans Administration payments went to some 250,000 surviving children of veterans, or 13 percent of all paternal orphans.

\* Prepared by Lenore A. Epstein, Division of Program Research, Office of the Commissioner.

Both number and proportion were slightly less than in 1956; there were few additions to the rolls and a considerable number of children of World War I and World War II veterans attained age 18. About 5 percent of all paternal orphans received benefits as survivors of railroad or government employees. Because many survivors of veterans were also entitled to social insurance benefits, the unduplicated number of paternal orphans receiving benefits under one or more of these four programs was barely 70 percent.

Another 10 percent—more than 200,000—were receiving payments under the program of aid to dependent children, if it is correct to assume that in the continental United States the proportion of children on the rolls whose father was dead was about the same (12 percent) in December 1957 as in early 1956, when the status of fathers in families receiving aid to dependent children was last studied. The number of paternal orphans receiving assistance to supplement old-age and survivors insurance benefits increased about one-sixth during 1957 to more than 80,000, at least in part because of the recession.

In all, about one-fourth of the paternal orphans had no income from a public income-maintenance program. Of these half million children, some had been adopted and

some had acquired a stepfather when their mother remarried.<sup>1</sup> Many were supported by the earnings of a widowed mother or other relative, and a relatively small number from asset income. A few of the older children were doubtless self-supporting. Some were in foster-family homes with board paid by the welfare agencies, and some were in public institutions.

*Widows under age 65.*—Employment and social insurance and related programs vied as the most frequent source of income for widows with children; slightly more than half the widows had income of each type. Widowed mothers were somewhat less likely than paternal orphans to receive benefits under the old-age, survivors, and disability insurance and the veterans' programs, primarily because of their employment. Moreover, some widowed mothers with three or more children had not claimed old-age and survivors insurance benefits for themselves because of the legal maximum on the monthly payment to a family (80 percent of the deceased worker's average monthly earnings or \$200). Payments under aid to dependent children went to fewer than 1 in 10 of the widowed mothers, and about one-third of this group were receiving insurance benefits.

Women responsible for the support of their children are likely to feel

<sup>1</sup> See the *Bulletin*, August 1957, page 15. Many who acquired a new parent, by adoption or by the remarriage of the mother, were receiving benefits.



**Table 1.—Estimated number of children under age 18 with father dead and of widows under age 65 receiving money income from employment and public income-maintenance programs, December 1957**

[Continental United States; numbers rounded to nearest 10,000]

Source of money income <sup>1</sup>	Number (in thousands)				Percentage distribution			
	Children under age 18 with natural father dead	Widows under age 65 <sup>2</sup>			Children under age 18 with natural father dead	Widows under age 65 <sup>2</sup>		
		Total	With 1 or more children under age 18	Other		Total	With 1 or more children under age 18	Other
Total in population.....	1,940	3,490	690	2,800	100.0	100.0	100.0	100.0
Employment <sup>3</sup> .....	(4)	2,040	360	1,680	(4)	58.5	52.2	60.0
Social insurance and related programs <sup>4</sup> .....	1,350	930	360	570	69.6	26.6	52.2	20.4
Old-age and survivors insurance.....	1,230	490	320	170	63.4	14.0	46.4	6.1
Veterans' compensation and pension programs.....	250	380	70	310	12.9	10.9	10.1	11.1
Railroad and government employees' retirement programs.....	90	130	30	100	4.6	3.7	4.3	3.6
Aid to dependent children <sup>5</sup> .....	200	70	70	0	10.3	2.0	10.1	0

<sup>1</sup> Persons with no money income and income solely from sources other than those specified are included in the total but are not shown separately because of lack of data. Some persons received income from more than one of the specified sources; some with income from sources specified also received income from sources not specified.

<sup>2</sup> Excludes widows who have remarried.

<sup>3</sup> Includes only persons working for pay or profit and not those supported by the earnings of a relative.

<sup>4</sup> Data not available.

<sup>5</sup> Estimated number of persons with income from one or more of the programs.

<sup>6</sup> Approximately two-fifths of the children and one-third of the widows receiving aid to dependent children are estimated to have received old-age, survivors, and disability insurance benefits.

Source: Estimated in the Division of Program Research on the basis of published and unpublished data from the Division of the Actuary and from the Bureau of the Census, the National Office of Vital Statistics, and agencies administering income-maintenance programs.

strong financial pressure to work. Payments under a public income-maintenance program are not intended to provide all the amenities of living. In the spring of 1957, slightly more than half of all women with children in their care who were widowed, divorced, or married but living apart from their husbands were in the labor force—between one-third and two-fifths of those with children under age 6 and more than three-fifths of those whose children were all of school age. Since widows tend to be older than other women whose homes are broken, and more than 30 percent of the children with father dead are aged 15-17 and 70 percent are over age 10 (table 2), widows might be expected to enter the job market more often than other mothers who have no husband to share family responsibilities. The security that social insurance or veterans' payments provide until the children reach age 18 appears, however, to be an offsetting factor.

Preliminary findings of the survey of old-age and survivors insurance beneficiaries conducted in November and December 1957<sup>2</sup> indicate that almost two-thirds of the widows with entitled children had earnings at some time during the year; almost

<sup>2</sup> See pages 17-23 of this issue of the *Bulletin*.

one-third earned \$1,000 or more, and one-eighth \$3,000 or more. The total money income for the year was less than \$2,830 for half the mother-child groups and more than that for the others. One-fifth had less than \$1,800 to live on the entire year, and the fifth who were best off had \$4,000 or more from all sources. More than one-fifth had practically no cash income besides their benefit. Some interest, dividends, or net rental income were reported by nearly two-fifths of the widowed mothers, but the amounts were characteristically small, with 46 percent of them reporting less than \$75 for the year.

Since widows under age 65 without children are not eligible for old-age or survivors insurance benefits until they reach age 62, only 1 in 16 widows under age 65—a total of 172,000—were on the rolls in December 1957. The number receiving disability benefits is not known, but could not have been very large.<sup>3</sup> More

<sup>3</sup> It can be assumed that the 150,000 workers receiving disability insurance benefits at the end of 1957 differed little in their characteristics from the workers aged 50-64 for whom a period of disability was allowed in 1956 or the first half of 1957. Of these workers, only 16 percent were women, less than half the women were nonmarried (according to data for January-June 1957), and by no means all the nonmarried women were widows.

than 1 in 9 were receiving a pension or compensation as a veteran's widow. In all, about one-fifth had income from social insurance or related programs, and three-fifths were employed. Among the widows under age 65 who received no such income were some who were dependent on relatives, some in public institutions, some living on their assets, and some receiving general assistance.

The pressure to work is probably stronger on widows under age 65 without children than on widowed mothers, because the former are so much less likely to have payments under income-maintenance programs.

**Table 2.—Estimated number of orphans under age 18, by type and age, January 1, 1958 <sup>1</sup>**

[Continental United States; numbers in thousands, rounded to nearest 5,000]

Age	Total	Father dead			Mother only dead
		Total	Father only dead	Both parents dead	
Total.....	2,745	1,945	1,890	55	800
0-4 years.....	205	155	155	(2)	50
5-9 years.....	565	405	400	5	160
10-14 years.....	1,090	770	750	20	320
15-17 years.....	885	615	585	30	270

<sup>1</sup> Projections made by the Division of the Actuary from estimates for Jan. 1, 1957; see the *Bulletin*, August 1957, p. 15.

<sup>2</sup> Fewer than 2,500;

The fact that they tend, however, to be concentrated at the older ages (54 percent of all widows under age 65 were aged 55-64 in 1957) makes it relatively more difficult for them to obtain employment if they are out of a job.

Characteristically, employment of women is relatively high in December because of Christmas work in retail stores. Although late in 1957 unemployment among men was climbing rapidly, it was not much higher among women than it had been a year earlier. Data are not available on the number of widows under age 65 receiving unemployment insurance benefits in that month, but probably it was roughly the same as in December 1956, when it was estimated at 35,000-45,000.

## Trustees Report on Old-Age and Survivors Insurance and Disability Insurance Trust Funds

The Board of Trustees of the old-age and survivors insurance and the disability insurance trust funds recently submitted to Congress its eighteenth annual report. The report shows trust fund operations for the fiscal year 1956-57 and, as required by statute, estimates of projected operations of the trust funds during the next 5 years, as well as an analysis of the funds' long-range actuarial status. The Board is composed of the Secretary of the Treasury, who is the funds' Managing Trustee; the Secretary of Labor; and the Secretary of Health, Education, and Welfare. The Commissioner of Social Security is the Secretary of the Board. Excerpts from the report follow.

### Fiscal Year Highlights

The contribution provisions of the Federal disability insurance program, adopted by Congress in 1956, became effective on January 1, 1957. Under this program, contribution receipts are appropriated to the Federal disability insurance trust fund, which is entirely separate from the Federal

old-age and survivors insurance trust fund. Disability insurance benefits, which became payable beginning with July 1957, and the administrative expenses of the disability insurance program, are paid from this fund.

The 1956 amendments to the Social Security Act also extended the contributory coverage of the old-age and survivors insurance program to about 4,000,000 additional persons, including members of the Armed Forces, additional farm owners and operators, certain self-employed professional persons, certain groups of Federal civilian employees, and addi-

tional State and local government employees.

During fiscal year 1957, other Social Security Act amendments went into effect liberalizing the conditions under which persons may become eligible for benefits under the old-age and survivors insurance program; providing monthly benefits to the dependent, disabled, unmarried child aged 18 and over of a retired or deceased insured worker if the disability began before age 18; and also providing monthly benefits at age 62 instead of age 65 to eligible women workers, wives of retired work-

Table 1.—Operations of the Federal old-age and survivors insurance trust fund, fiscal years 1937-62<sup>1</sup>

[In millions]

Fiscal year	Transactions during period					Fund at end of period <sup>5</sup>	
	Income		Disbursements		Transfers to railroad retirement account		Net increase in fund <sup>5</sup>
	Tax contributions <sup>2</sup>	Interest on investments <sup>3</sup>	Benefit payments	Administrative expenses <sup>4</sup>			
Past experience:							
1937-57 .....	\$48,618	\$4,478	\$28,967	\$1,100	-----	\$23,029	\$23,029
1941.....	688	56	64	27	-----	653	2,398
1942.....	896	71	110	27	-----	830	3,227
1943.....	1,130	87	149	27	-----	1,041	4,268
1944.....	1,292	103	185	33	-----	1,178	5,446
1945.....	1,310	124	240	27	-----	1,167	6,613
1946.....	1,238	148	321	37	-----	1,028	7,641
1947.....	1,460	163	426	41	-----	1,157	8,798
1948.....	1,617	191	512	47	-----	1,248	10,047
1949.....	1,694	230	607	53	-----	1,263	11,310
1950.....	2,110	257	727	57	-----	1,583	12,893
1951.....	3,124	287	1,498	70	-----	1,843	14,736
1952.....	3,598	334	1,982	85	-----	1,864	16,600
1953.....	4,097	387	2,627	89	-----	1,766	18,366
1954.....	4,589	451	3,276	89	-----	1,676	20,043
1955.....	5,087	448	4,333	103	-----	1,098	21,141
1956.....	6,442	495	5,361	124	-----	1,452	22,593
1957.....	6,540	561	6,515	150	-----	436	23,029
Estimated future experience:							
1958.....	7,140	544	7,835	167	\$110	-428	22,601
1959.....	7,353	536	8,620	178	220	-1,129	21,472
1960:							
Assumption I:							
a.....	8,355	519	9,100	168	240	-634	20,838
b.....	8,195	516	9,194	169	240	-892	20,580
c.....	8,035	513	9,301	170	240	-1,163	20,309
Assumption II.....	7,502	507	9,452	175	240	-1,858	19,614
1961:							
Assumption I:							
a.....	9,759	521	9,520	164	235	361	21,199
b.....	9,579	509	9,714	166	235	-27	20,553
c.....	9,399	497	9,910	168	235	-417	19,892
Assumption II.....	8,444	467	10,171	172	235	-1,667	17,947
1962:							
Assumption I:							
a.....	10,019	530	9,872	168	220	289	21,488
b.....	9,819	506	10,172	170	220	-237	20,316
c.....	9,619	483	10,459	171	220	-748	19,144
Assumption II.....	8,355	417	10,705	172	220	-2,325	15,622

<sup>1</sup> In interpreting the estimates, reference should be made to the accompanying text which describes the underlying assumptions. Estimates were prepared February 1958.

<sup>2</sup> Include adjustments for (1) refunds of contributions beginning in 1953, and (2) transfers during fiscal years 1947-52 from general funds equivalent to additional payments arising from the extension of survivors' insurance protection to certain veterans of World War II (Social Security Act Amendments of 1946).

<sup>3</sup> Includes (1) profits on marketable investments, and (2) for fiscal years 1954-58, interest transferred

from the railroad retirement account.

<sup>4</sup> Include administrative expenses, less receipts for sale of surplus material, services, etc. For fiscal years 1954-60, include cost of construction of an office building for the Bureau of Old-Age and Survivors Insurance. Beginning fiscal year 1957, expenses incurred by the Department of Health, Education, and Welfare under the disability insurance program are initially charged to the old-age and survivors insurance trust fund. Reimbursements are then made in the following fiscal year.

<sup>5</sup> Totals do not necessarily equal the sum of rounded components.

ers, and widows and mothers of deceased workers.

In June 1957, the total number of old-age and survivors insurance beneficiaries was 10,342,000 or 24 percent more than in June 1956. There were 7,710,000 retirement beneficiaries (old-age beneficiaries and their entitled wives, dependent husbands, and young children), an increase of 26 percent, and 2,632,000 survivor beneficiaries, an increase of 16 percent, over 1 year earlier. The estimated number of persons with taxable earnings under old-age, survivors, and disability insurance in calendar year 1957 was about 74 million.

Disbursements of the old-age and survivors insurance trust fund in fiscal year 1957 were \$6,665 million, not including \$58 million representing overpayments of employee contributions subject to refund. Receipts net of these refunds were \$7,100 million. The net addition of \$436 million raised the total assets of the trust fund to \$23,029 million on June 30, 1957.

The disbursements of the fund in fiscal year 1957 included \$6,515 million for benefits and \$150 million for administrative expenses. The receipts included \$6,540 million in net contributions and \$561 million in interest on investments.

Both disbursements and receipts

showed an increase over fiscal year 1956. Disbursements rose \$1,179 million or 22 percent, and receipts rose \$163 million or 2.4 percent.

The disability insurance trust fund was established on August 1, 1956, with contributions under the disability insurance program payable beginning January 1, 1957. By the end of fiscal year 1957, disbursements of this fund totaled \$1.3 million, all for administrative expenses actually charged against the fund since benefits did not become payable until immediately after the end of the fiscal year. Receipts were \$339 million, of which \$337 million was from contributions and \$1.4 million was from interest.

In compliance with the provisions of section 116(a) of the Social Security Amendments of 1956, the Secretary of Health, Education, and Welfare on October 24, 1957, announced the appointment of the first Advisory Council on Social Security Financing. Previously, there were advisory councils of somewhat different scope. The present Council is established for the purpose of reviewing the status of the Federal old-age and survivors insurance trust fund and of the Federal disability insurance trust fund in relation to the long-term commitments of the old-age, survivors, and disability insurance program.

The Council consists of the Commissioner of Social Security, as chairman, and 12 other persons representing employers, employees, self-employed persons, and the public. The Council is required to make a report of its findings and recommendations, including recommendations for changes in the contribution rates, to the Secretary of the Board of Trustees of the Federal old-age and survivors insurance trust fund and the Federal disability insurance trust fund. The report must be submitted not later than January 1, 1959, after which date the Council will cease to exist. The Council's findings and recommendations will be included in the next annual report of the Board of Trustees.

### *Expected Operations and Status of Trust Funds, Fiscal Years 1958-62*

In the following statement of the expected operations and status of the trust funds during the next 5 fiscal years, it is assumed that the present statutory provisions relating to the old-age, survivors, and disability insurance program remain unchanged throughout the period under consideration. The income and disbursements of the program, however, not only depend on the legislative provisions, but they are also affected by general economic conditions. Because it is difficult to foresee economic developments, the assumptions on which the estimates here presented are based are subject to many uncertainties. This statement of the expected operations of the trust funds should therefore be read with full recognition of the difficulties of estimating future trust fund income and disbursements under changing economic conditions.

Single sets of estimates are here presented to show the expected operations of the old-age and survivors insurance trust fund in fiscal years 1958 and 1959, but for fiscal years 1960-62 four sets of estimates are given based on two different assumptions as to economic developments in those years—three sets for assumption I and one set for assumption II. In assumption I the period 1959-62 is characterized by a continued rise in employment and earnings following a recovery, begin-

**Table 2.—Operations of the Federal disability insurance trust fund, fiscal years 1957-62<sup>1</sup>**

[In millions]

Fiscal year	Transactions during period						Fund at end of period
	Income		Disbursements		Transfers between fund and railroad retirement account <sup>2</sup>	Net increase in fund	
	Tax contributions <sup>1</sup>	Interest on investments	Benefit pay-ments	Admin-istrative expenses			
Past experience, 1957 -----	\$337	\$1		\$1	-----	\$337	\$337
Estimated future experience:							
1958 -----	896	16	\$175	12	-----	725	1,062
1959 -----	915	34	247	19	+ \$10	693	1,755
1960:							
Assumption I. -----	939	53	270	21	- 2	699	2,454
Assumption II. -----	858	52	270	21	- 2	617	2,372
1961:							
Assumption I. -----	958	72	293	19	- 4	714	3,168
Assumption II. -----	845	68	293	20	- 4	596	2,968
1962:							
Assumption I. -----	986	91	317	19	- 6	735	3,903
Assumption II. -----	839	81	317	20	- 6	577	3,545

<sup>1</sup> Reference should be made to the accompanying text which describes the underlying assumptions and limitations.

<sup>2</sup> Adjusted for refunds.

<sup>3</sup> A positive figure indicates a transfer from the railroad retirement account to the fund. A negative figure indicates a transfer to the railroad retirement account.



ning in calendar year 1958, from the recession which began in the second half of calendar year 1957. During the 3 years 1960-62, unemployment is assumed to be at a comparatively low level. The differences among the three sets of estimates shown under assumption I result from varying within reasonable limits the estimates of (1) hourly earnings; (2) hours worked in covered employment; (3) the numbers of aged workers gaining insured status; and (4) the proportions of aged workers receiving retirement benefits. The remaining set of estimates for fiscal years 1960-62, based on assumption II, shows the effects that would result in the unlikely event that there were a severe decline in industrial activities beginning in the latter half of calendar year 1959 with a slow recovery not beginning until the first half of calendar year 1961.

The expected operations and status

of the old-age and survivors insurance trust fund during the next 5 fiscal years are presented in summary in table 1, together with the figures on actual experience in earlier fiscal years. The increase in estimated income from contributions in fiscal year 1959 as compared with fiscal year 1958 reflects the uptrend in the levels of employment and earnings. Estimates of contribution income in fiscal years 1960-62 based on assumption I show the effect of an assumed rise in employment and earnings during these years as well as the scheduled increase in contribution rates on January 1, 1960. Benefit disbursements increase substantially primarily because of the 1954 and 1956 amendments, and partly because of the long-range upward trend in the number of beneficiaries under the program. Under assumption II, estimated contributions in fiscal years 1960-62 are

lower than under assumption I because of the effects of the assumed economic recession on the levels of covered employment and taxable earnings in the periods affecting tax collections during those years. Estimated benefit disbursements, on the other hand, are higher under assumption II than assumption I because a larger number of older workers leave employment or are unable to find jobs.

Under assumption I and assumption II, aggregate outgo of the old-age and survivors insurance trust fund is expected to exceed aggregate income over the period of the 5 fiscal years 1958-62. During this period, there is an estimated net decrease in the trust fund of \$1.5 billion to \$3.9 billion under assumption I, and \$7.4 billion under assumption II. During the 5 fiscal years 1958-62 the old-age and survivors insurance trust fund will not exceed 2.2 times

Table 3.—Estimated progress of the old-age and survivors insurance trust fund, high-employment and 1956 level-earnings assumptions, 3-percent interest basis

[In millions]

Calendar year	Contributions	Benefit payments	Administrative expenses	Financial interchange <sup>1</sup>	Interest on fund	Fund at end of year <sup>2</sup>
Actual data						
1951.....	\$3,367	\$1,885	\$81	-----	\$417	\$15,540
1952.....	3,819	2,194	88	-----	365	17,442
1953.....	3,945	3,006	88	-----	414	18,707
1954.....	5,163	3,670	92	-----	468	20,576
1955.....	5,713	4,968	119	-----	461	21,663
1956.....	6,172	5,715	132	-----	531	22,519
1957.....	6,826	7,347	162	-----	557	22,393
Low-cost estimate						
1970.....	\$14,755	\$13,391	\$186	-\$110	\$630	\$29,037
1980.....	20,220	18,076	228	+28	1,693	59,085
1990.....	23,801	22,394	273	+127	2,778	96,020
2000.....	28,534	24,178	310	+191	4,575	159,186
2025.....	38,650	36,862	441	+191	15,477	532,158
2050.....	43,741	52,878	562	+191	29,146	995,910
High-cost estimate						
1970.....	\$14,674	\$14,065	\$216	-\$148	\$587	\$20,282
1980.....	19,382	19,723	263	-20	847	28,776
1990.....	21,577	25,731	315	+79	279	7,386
2000.....	24,198	29,291	354	+145	( <sup>3</sup> )	( <sup>3</sup> )
Intermediate-cost estimate						
1970.....	\$14,714	\$13,729	\$201	-\$129	\$708	\$24,660
1980.....	19,801	18,899	246	+4	1,270	43,930
1990.....	22,689	24,062	294	+103	1,528	51,703
2000.....	26,366	26,736	332	+168	1,605	54,835
2025.....	33,002	40,193	453	+168	1,727	55,560
2050.....	35,710	51,574	536	+168	( <sup>4</sup> )	( <sup>4</sup> )

<sup>1</sup> A positive figure indicates payment to the trust fund from the railroad retirement account, and a negative figure indicates the reverse.

<sup>2</sup> Not including amounts in the railroad retirement account to the credit of the old-age and survivors insurance trust fund. In millions of dollars, these

amounted to \$377 for 1953, \$284 for 1954, \$163 for 1955, \$60 for 1956, and nothing for 1957 and thereafter.

<sup>3</sup> Fund exhausted in 1992.

<sup>4</sup> Fund exhausted in 2032.

the highest expected annual outgo during the 5-year period under either assumption I or assumption II.

Under both assumptions benefit payments as a percentage of taxable earnings will continue to rise. Benefit payments were 3.49 percent of taxable earnings for calendar year 1956. It is estimated that by 1962 benefit expenditures from the old-age and survivors insurance trust fund under assumption I will range from 4.93 percent to 5.51 percent, and under assumption II, will be 6.52 percent, of taxable earnings.

The expected operations and status of the disability insurance trust fund during the next 5 fiscal years are presented in summary in table 2, together with the figures on the actual experience in fiscal year 1957. The sharp rise in estimated income from contributions in fiscal year 1958 as compared with fiscal year 1957 reflects primarily the fact that the program was in effect during only part of fiscal year 1957, but will be in effect during the entire fiscal year 1958. As in the case of the

old-age and survivors insurance trust fund, estimates for fiscal years 1960-62 are presented on the basis of the two previously described assumptions as to economic developments. Only one set of estimates, however, is shown under assumption I since varying the underlying cost factors within reasonable limits would result in only small differences in the levels of the estimated contribution income and benefit outgo of the disability insurance trust fund. Contribution income of the disability insurance trust fund will be influenced significantly by economic developments and so will have a considerable range of possible variation. On the other hand, the amount of benefit payments over the short range will not differ significantly under the two sets of assumptions.

While the lack of employment opportunities will operate to increase to some extent the number of allowed claims, there will tend to be counterbalancing effects, such as the progressively increasing number of persons who would fail to meet the

insured-status requirements, especially the requirement that the individual have 6 quarters of coverage in the 13 calendar quarters ending with the quarter of his disability. On balance, disbursements for disability benefits over the next few years would differ so little under assumption I or assumption II that a single set of estimates is presented.

Income of the disability insurance trust fund is expected to exceed disbursements in each of the 5 fiscal years 1958-62 under both assumption I and assumption II. During this 5-year period, it is estimated that the disability insurance trust fund will reach a level 10.3 to 11.4 times the highest expected annual outgo during 1958-62.

### Actuarial Status of the Trust Funds

On June 30, 1957, there were about 14,900,000 persons aged 65 and over in the entire United States (including Territories), a number equivalent to 8.6 percent of the total population.

(Continued on page 36)

Table 4.—Estimated progress of the disability insurance trust fund, high-employment and 1956 level-earnings assumptions, 3-percent interest basis

[In millions]						
Calendar year	Contributions	Benefit payments	Administrative expenses	Financial interchange <sup>1</sup>	Interest on fund	Fund at end of year
Actual data						
1957.....	\$702	\$57	\$17	-----	\$7	\$635
Low-cost estimate						
1970.....	\$1,080	\$445	\$23	-\$13	\$313	\$11,044
1980.....	1,264	550	27	-3	640	22,306
1990.....	1,488	640	30	+2	1,113	38,617
2000.....	1,783	765	36	+7	1,811	62,691
2025.....	2,416	1,303	53	+9	4,885	168,265
2050.....	2,734	1,698	63	+9	11,341	389,859
High-cost estimate						
1970.....	\$1,074	\$941	\$30	-\$16	\$179	\$6,205
1980.....	1,211	1,149	35	-7	259	8,905
1990.....	1,349	1,266	38	-2	352	12,123
2000.....	1,512	1,528	44	+3	486	16,665
2025.....	1,710	2,046	52	+5	642	21,858
2050.....	1,730	2,230	55	+5	782	26,585
Intermediate-cost estimate						
1970.....	\$1,077	\$692	\$27	-\$15	\$246	\$8,624
1980.....	1,237	850	30	-5	450	15,606
1990.....	1,419	953	34	0	732	25,370
2000.....	1,647	1,146	40	+5	1,148	39,678
2025.....	2,063	1,674	53	+7	2,764	95,062
2050.....	2,232	1,964	59	+7	6,062	208,222

<sup>1</sup> A positive figure indicates payment to the trust fund from the railroad retirement account, and a negative figure indicates the reverse.

# Current Operating Statistics

Table 1.—Selected social insurance and related programs, by specified period, 1940–58  
[In thousands; data corrected to July 8, 1958]

Year and month	Total	Retirement, disability, and survivor insurance										Unemployment insurance			
		Monthly retirement and disability benefits <sup>1</sup>				Survivor benefits						Temporary disability benefits under Railroad Unemployment Insurance Act <sup>9</sup>	State laws <sup>10</sup>	Veterans' legis-lation <sup>11</sup>	Rail-road Unem-ploy-ment Insurance Act
		Social Security Act	Rail-road Retirement Act	Civil Service Com-mis-sion <sup>2</sup>	Veter-ans Ad-minis-tration <sup>3</sup>	Monthly				Lump-sum <sup>7</sup>					
						Social Security Act <sup>4</sup>	Rail-road Retirement Act <sup>5</sup>	Civil Service Com-mis-sion <sup>2</sup>	Veter-ans Ad-minis-tration <sup>6</sup>	Social Secu-rity Act	Other <sup>8</sup>				
Number of beneficiaries															
1957															
May	7,573.2	453.0	271.0	2,789.3	2,602.5	220.1	90.0	(12)		65.5	13.0	24.2	1,199.4	40.4	49.0
June	7,710.1	454.7	274.0	2,796.5	2,632.0	221.1	91.3	1,183.7		58.2	12.5	22.2	1,171.6	40.2	39.7
July	7,911.6	456.1	276.8	2,802.4	2,655.8	221.6	92.5	(12)		52.3	12.4	25.5	1,061.4	41.1	42.0
August	7,999.7	456.0	279.9	2,807.0	2,678.5	222.2	92.6	(12)		43.2	12.2	33.3	1,021.9	42.7	50.7
September	8,099.8	458.3	283.1	2,808.0	2,691.6	223.4	93.4	1,175.8		56.5	12.7	33.0	975.0	38.7	42.6
October	8,204.8	460.9	286.2	2,812.3	2,719.5	224.5	95.0	(12)		61.8	12.8	36.5	1,020.1	28.5	53.4
November	8,284.9	462.1	289.2	2,817.6	2,741.0	224.8	95.6	(12)		57.4	12.1	34.9	1,146.3	32.2	65.9
December	8,354.5	462.7	292.3	2,819.3	2,774.2	225.8	96.5	1,170.0		61.7	12.2	38.0	1,638.9	45.5	102.2
1958															
January	8,412.5	463.1	295.3	2,822.7	2,792.3	227.0	97.2	(12)		50.4	12.9	39.3	2,342.4	66.1	139.1
February	8,507.6	465.1	297.9	2,824.8	2,814.5	227.8	98.0	(12)		57.4	13.0	29.1	2,698.3	82.2	141.4
March	8,619.5	467.4	300.7	2,826.8	2,841.2	228.7	99.4	1,190.3		64.7	13.4	28.3	2,965.9	95.5	143.7
April	8,759.7	470.2	304.0	2,832.9	2,868.4	230.0	101.2	(12)		74.1	13.2	28.6	2,966.9	95.8	157.2
May	8,866.7	473.1	306.4	2,841.5	2,891.8	231.1	102.6	(12)		64.0	13.5	23.8	2,731.7	87.0	138.1
Amount of benefits <sup>12</sup>															
1940	\$1,183,462	\$17,150	\$114,166	\$62,019	\$317,851	\$6,371	\$1,448		\$105,696	\$11,833	\$12,267		\$518,700		\$15,961
1941	1,079,648	15,169	119,912	64,933	320,561	23,644	1,559		111,799	13,270	13,943		344,321		14,537
1942	1,124,351	76,147	122,806	68,115	325,265	39,523	1,603		111,193	15,005	14,342		344,084		6,268
1943	911,696	92,943	125,795	72,961	331,350	55,152	1,704		116,133	17,843	17,255		79,643		917
1944	1,104,638	113,487	129,707	77,193	456,279	73,451	1,765		144,302	22,034	19,238		62,385	\$4,215	582
1945	2,047,025	148,107	137,140	83,874	697,830	99,651	1,772		254,238	26,127	23,431		445,866	126,630	2,359
1946	5,135,413	222,320	149,188	94,585	1,268,984	127,933	1,817		333,640	27,851	30,610		1,094,850	1,743,718	39,917
1947	4,658,540	287,554	177,053	106,876	1,676,029	149,179	19,283		382,515	29,460	33,115	\$11,308	776,165	970,542	39,401
1948	4,454,705	352,022	208,642	132,852	1,711,182	171,837	36,011	\$918	413,912	32,313	32,140	30,843	793,265	510,167	28,599
1949	5,613,168	437,420	240,893	158,973	1,692,215	196,586	39,257	4,317	477,406	33,158	31,771	30,103	1,737,279	430,194	103,596
1950	5,196,761	651,409	254,240	175,787	1,732,208	276,945	43,884	8,409	491,579	32,740	33,578	28,099	1,873,426	34,653	59,804
1951	5,503,855	1,321,061	268,733	196,529	1,647,938	506,803	49,527	14,014	519,398	57,337	33,356	26,297	840,411	2,234	20,217
1952	6,285,237	1,539,327	361,200	225,120	1,722,225	591,504	74,085	19,986	572,983	63,298	37,251	34,689	998,237	3,339	41,793
1953	7,353,396	2,175,311	374,112	269,300	1,840,437	743,536	83,319	27,325	613,475	87,451	43,377	45,150	962,221	41,698	46,684
1954	9,455,374	2,697,982	428,900	298,126	1,921,380	879,952	93,201	32,530	628,801	92,229	41,480	49,173	2,026,866	107,666	157,088
1955	10,275,552	3,747,742	438,970	335,876	2,057,515	1,107,541	121,847	39,362	688,426	112,871	42,233	51,945	1,350,268	87,672	93,284
1956	11,193,067	4,361,231	490,445	400,647	2,101,798	1,244,073	133,171	49,675	699,204	109,304	41,895	49,538	1,380,726	60,917	70,443
1957	13,559,732	5,744,490	538,501	474,841	2,173,029	1,520,749	143,826	58,265	754,975	138,785	47,912	51,292	1,766,445	53,087	93,535
1958															
May	1,057,617	427,303	43,521	38,823	177,612	117,591	11,506	4,762	59,539	13,082	4,372	3,416	145,657	4,222	6,211
June	1,039,946	435,378	43,714	39,160	176,079	119,259	11,579	4,807	59,025	11,678	3,905	3,003	123,540	3,710	5,109
July	1,071,289	448,954	43,856	39,613	180,180	120,657	11,628	4,874	64,310	10,486	3,804	3,298	130,130	4,539	4,960
August	1,070,527	454,917	43,870	40,376	179,483	121,837	11,678	4,934	64,060	8,606	3,587	4,780	121,333	4,406	6,600
September	1,072,401	461,164	44,111	41,184	179,374	122,847	11,762	5,009	64,033	11,406	3,921	4,783	113,325	3,793	5,689
October	1,118,812	467,838	44,402	41,804	190,656	124,397	11,839	5,117	68,073	12,459	4,573	5,476	131,832	3,014	7,332
November	1,130,181	472,987	44,540	42,058	190,658	125,733	11,879	5,127	68,073	11,672	3,962	4,909	136,627	3,104	8,852
December	1,217,245	477,924	44,614	42,565	190,904	127,531	11,943	5,178	68,162	12,449	4,243	5,550	207,110	4,574	14,498
1958															
January	1,336,793	482,528	44,690	43,305	191,698	128,627	12,029	5,345	68,854	10,172	4,098	5,383	313,012	6,925	20,127
February	1,352,024	489,855	44,954	43,447	191,325	129,948	12,095	5,365	68,725	11,503	4,201	3,796	320,181	7,546	19,093
March	1,420,483	497,971	45,247	44,316	191,893	131,441	12,171	5,511	68,922	12,995	4,797	4,060	370,248	9,285	21,626
April	1,473,605	507,890	45,563	44,771	193,837	133,148	12,263	5,564	69,174	15,019	5,508	4,037	403,845	9,833	23,153
May	1,436,864	515,159	45,907	45,127	194,240	134,539	12,345	5,636	69,354	12,904	5,181	3,426	363,550	8,922	20,574

<sup>1</sup> Under the Social Security Act, retirement benefits—old-age, wife's, and husband's benefits, and benefits to children of old-age beneficiaries—partly estimated (beginning Jan. 1957, includes a few "childhood disability" benefits), and, beginning July 1957, disability benefits to workers aged 50-64. Beginning Dec. 1951, includes spouse's annuities under the Railroad Retirement Act.

<sup>2</sup> Data for civil-service retirement and disability fund; excludes noncontributory payments made under the Panama Canal Construction Annuity Act. Through June 1948, retirement and disability benefits include payments to survivors under joint and survivor elections.

<sup>3</sup> Pensions and compensation, and subsistence payments to disabled veterans undergoing training; beginning 1955, payments estimated, adjusted quarterly.

<sup>4</sup> Mother's, widow's, widower's, parent's, and child's benefits; beginning Jan. 1957, includes a few "childhood disability" benefits; partly estimated.

<sup>5</sup> Annuities to widows under joint and survivor elections and, beginning Feb. 1947, survivor benefits—widow's, widower's (first paid Dec. 1951), widowed mother's, parent's, and child's.

<sup>6</sup> Payments to widows, parents, and children of veterans; data for beneficiaries, end of quarter; beginning 1955, payments estimated, adjusted quarterly.

<sup>7</sup> Number of decedents on whose account lump-sum payments were made.

<sup>8</sup> Payments under the Railroad Retirement Act and Federal civil-service and veterans' programs; beginning 1955, data for veterans' programs estimated.

<sup>9</sup> Represents average number of beneficiaries in a 14-day registration period;

temporary disability benefits first payable July 1947.

<sup>10</sup> Represents average weekly number of beneficiaries; beginning Jan. 1955, includes data for payments to unemployed Federal workers made by the States as agents of the Federal Government.

<sup>11</sup> Beginning Sept. 1944, under the Servicemen's Readjustment Act, readjustment allowances to unemployed and self-employed veterans of World War II. Beginning Nov. 1952, under the Veterans' Readjustment Assistance Act, unemployment compensation benefits to veterans with military service since June 1950. Number represents average weekly claims paid.

<sup>12</sup> Not available.

<sup>13</sup> Payments: under the Social Security Act annual data represent Treasury disbursements and under the Railroad Retirement Act, amounts certified (for both programs monthly data for monthly benefits represent benefits in current-payment status); under the Railroad Unemployment Insurance Act, amounts certified; for Veterans Administration programs, except the readjustment allowance program, disbursements; under the State unemployment insurance laws, the Servicemen's Readjustment Act, and the Veterans' Readjustment Assistance Act, checks issued; for civil-service programs, disbursements through June 1949 and authorizations beginning July 1949. Adjusted on annual basis except for civil-service data and payments under the Railroad Unemployment Insurance Act, which are adjusted monthly.

Source: Based on reports of administrative agencies.



Table 2.—Contributions and taxes collected under selected social insurance and related programs, by specified period, 1955–58

[In thousands]

Period	Retirement, disability, and survivors insurance				Unemployment insurance		
	Federal insurance contributions <sup>1</sup>		Federal civil-service contributions <sup>3</sup>	Taxes on carriers and their employees	State unemployment insurance contributions <sup>4</sup>	Federal unemployment taxes <sup>5</sup>	Railroad unemployment insurance contributions <sup>6</sup>
	Retirement and survivor	Disability <sup>2</sup>					
Fiscal years:							
1955–56 <sup>7</sup>	\$6,442,370		\$808,207	\$634,323	\$1,328,722	\$324,656	\$34,043
1956–57 <sup>7</sup>	6,539,849	\$337,199	1,171,155	616,020	1,537,127	330,034	77,858
11 months ended:							
May 1956	5,890,279		763,098	580,572	1,316,581	323,362	31,345
May 1957	6,068,835		1,117,718	563,972	1,524,718	328,448	69,281
May 1958	6,569,246		1,140,525	532,178	1,491,838	334,735	83,629
1957							
May	1,141,249	122,338	67,058	83,134	322,447	1,400	12,048
June <sup>7</sup>	471,013	65,737	53,437	52,048	12,409	1,586	8,577
July	365,882	38,768	51,752	19,359	173,916	754	765
August	829,053	112,664	75,757	83,581	283,805	882	11,065
September	433,600	54,899	102,791	53,858	10,495	623	12,650
October	341,408	34,791	118,472	30,740	116,175	726	810
November	626,362	80,422	100,782	68,796	195,684	739	10,173
December	345,063	42,822	123,493	49,177	12,067	987	13,830
1958							
January	267,657	36,189	121,885	18,721	78,772	53,272	532
February	886,581	119,443	113,282	77,722	136,658	269,024	7,935
March	598,151	74,963	103,610	42,977	8,651	4,691	15,176
April	747,075	83,350	121,330	17,051	179,064	1,685	810
May	1,128,413	154,760	107,369	70,197	296,553	1,651	9,883

<sup>1</sup> Represents contributions of employees, employers, and the self-employed in employments covered by old-age, survivors, and disability insurance (beginning December 1952, adjusted for employee-tax refunds); from May 1951, includes deposits in the trust fund by States under voluntary coverage agreements; beginning January 1951, on an estimated basis, with suitable subsequent adjustments.

<sup>2</sup> Under the 1956 amendments to title II of the Social Security Act.

<sup>3</sup> Represents employee and Government contributions to the civil-service retirement and disability fund.

<sup>4</sup> Represents deposits in State clearing accounts of contributions plus penalties and interest collected from employers and, in 3 jurisdictions, contributions from employees; excludes contributions collected for deposit in State temporary disability insurance funds. Data reported by State agencies.

<sup>5</sup> Represents taxes paid by employers under the Federal Unemployment Tax Act.

<sup>6</sup> Beginning 1947, also covers temporary disability insurance.

<sup>7</sup> Except for State unemployment insurance, as shown in the *Final Statement of Receipts and Expenditures of the U.S. Government*.

Source: *Monthly Statement of Receipts and Expenditures of the U.S. Government* and other Treasury reports, unless otherwise noted.

## WORKMEN'S COMPENSATION

(Continued from page 16)

insurance that sufficient administrative funds will be available for essential services.<sup>17</sup> Despite the pleas of State administrators, no State has changed its method of financing during this period, though the proportion of aggregate costs that are defrayed through assessments has shown some increase.

### Summary

In absolute figures, workmen's compensation statistics for the past decade have revealed a steady growth in operations, but when they are related to other indexes of economic change, it is evident that the real position of the program has changed very little. Thus, coverage estimates show no appreciable change from 1946 to 1956 in the proportion of the

labor force protected (77–30 percent), although the number of workers covered in an average month increased by about 9 million. Aggregate benefit payments since 1946 have risen by 130 percent but as a percent of payroll have remained at slightly less than 0.6 percent. The annual cost to employers has stayed at slightly less than 1 percent of payroll, although it has increased from an estimated \$726 million to \$1,630 million.

Workmen's compensation data also reflect a considerable stability in administrative and insurance arrangements. The proportions of benefits that are underwritten by private carriers (62 percent), State funds (26 percent), and self-insurers (13 percent) have remained constant in recent years. The ratio of benefits to premiums (loss ratio), despite yearly fluctuations, reveals consistent differences between private carriers and State funds. The ratio of administrative expenses to pre-

miums (expense ratio) has varied only slightly—35–39 percent for stock companies, 23–25 percent for mutual companies, and 12–15 percent for State funds (including an estimated allowance for loss adjustment expenses).

An exception to the more static aspects of workmen's compensation has been in the area of individual cash benefits payable. The proportion of wage loss compensated fell sharply from 1939 through 1953. Statutory increases in the maximum level and duration of benefits for temporary and permanent disability and for death cases since 1953 reversed the trend. These improvements, however, have not yet restored the relationship between wage levels and benefits existing before World War II. Even if the value of medical benefits were counted, the evidence today is that the average worker is still meeting out of his own resources the larger share of the cost of work injuries.

<sup>17</sup> Department of Labor, Bureau of Labor Standards, *Workmen's Compensation Problems, IAIABC Proceedings—1955* (Bulletin 186), page 5.

Table 3.—Status of the old-age and survivors insurance and disability insurance trust funds, by specified period, 1937-58

[In thousands]

Period	Receipts		Expenditures		Assets at end of period		
	Net contribution income and transfers <sup>1</sup>	Interest received <sup>2</sup>	Benefit payments	Administrative expenses <sup>3</sup>	Invested in U.S. Government securities <sup>4</sup>	Cash balances	Total assets
Old-age and survivors insurance trust fund							
Cumulative, January 1937-May 1958 <sup>5</sup>	\$55,187,060	\$4,817,724	\$36,131,155	\$1,259,863	\$21,733,623	\$880,143	\$22,613,766
Fiscal year:							
1955-56 <sup>6</sup>	6,442,370	494,889	5,360,813	124,339	22,043,031	550,078	22,593,109
1956-57 <sup>6</sup>	6,539,849	560,558	6,514,581	150,057	22,263,318	765,560	23,028,878
11 months ended:							
May 1956	5,890,279	288,693	4,880,105	115,099	21,569,263	755,506	22,324,769
May 1957	6,068,835	332,082	5,874,560	137,303	22,206,395	775,768	22,982,163
May 1958	6,569,246	339,367	7,163,763	159,963	21,733,623	880,143	22,613,766
1957							
May	1,141,249	8,088	648,202	12,359	22,206,395	775,768	22,982,163
June <sup>6</sup>	471,013	228,477	640,021	12,755	22,263,318	765,560	23,028,878
July	365,882	1,449	625,719	13,907	21,969,878	786,705	22,756,583
August	829,053	7,842	608,520	11,578	22,196,524	776,856	22,973,380
September	433,600	15,399	626,766	13,383	21,878,841	903,390	22,782,231
October	341,408	20,329	640,336	17,302	21,781,477	704,853	22,486,330
November	626,362	8,629	636,111	13,326	21,621,070	850,814	22,471,884
December	345,063	226,412	637,704	12,798	21,565,885	826,972	22,392,857
1958							
January	267,657	1,437	632,608	15,268	21,249,585	764,490	22,014,075
February	886,581	10,971	654,678	13,756	21,319,282	923,911	22,243,193
March	598,151	15,843	680,659	16,026	21,331,665	828,837	22,160,503
April	747,075	21,362	710,473	18,856	21,362,123	837,487	22,199,610
May	1,128,413	9,695	710,190	13,762	21,733,623	880,143	22,613,766
Disability insurance trust fund <sup>6</sup>							
Cumulative, January 1957-May 1958 <sup>5</sup>	1,170,271	8,751	149,245	4,039	959,051	66,687	1,025,738
Fiscal year 1956-57 <sup>6</sup>	337,199	1,363		1,305	325,363	11,895	337,258
1957							
May	122,338			216	250,700	19,674	270,374
June <sup>6</sup>	65,737	1,363		216	325,363	11,895	337,258
July	38,768	17		245	360,263	15,536	375,799
August	112,664	47	8,528	245	447,000	32,737	479,737
September	54,899	171	9,333	245	476,489	48,741	525,230
October	34,791	148	11,437	248	530,620	17,865	548,485
November	80,422	238	13,067	248	567,991	47,839	615,830
December	42,822	5,256	14,311	248	611,946	37,403	649,349
1958							
January	36,189	43	15,730	266	649,146	20,440	669,585
February	119,443	298	18,034	266	708,585	62,441	771,026
March	74,963	184	19,193	266	789,388	37,324	826,713
April	83,350	354	20,206	229	858,659	31,323	889,982
May	154,760	632	19,407	229	959,051	66,687	1,025,738

<sup>1</sup> For July 1940 to December 1950 equals taxes collected; beginning January 1951, equals amounts appropriated (estimated tax collections with suitable subsequent adjustments) and, from May 1951, deposits by States under voluntary coverage agreements. For 1947-51 includes amounts appropriated to meet costs of benefits payable to certain veterans' survivors. Beginning 1952, includes deductions for refund of estimated amount of employee-tax overpayment.

<sup>2</sup> Includes interest transferred from the railroad retirement account under the financial interchange provision of the Railroad Retirement Act, as amended in 1951 and 1956.

<sup>3</sup> Represents net expenditures for administration. Beginning November 1951, adjusted for reimbursements to trust fund of small amounts for sales of services.

Beginning October 1953, includes amounts for expenses of plans and preparations for construction authorized by P.L. 170, 83d Cong., 1st sess. Beginning January 1957, subject to subsequent adjustment between the two trust funds.

<sup>4</sup> Includes accrued interest and repayments on account of accrued interest on bonds at time of purchase.

<sup>5</sup> Revised to correspond with *Final Statement of Receipts and Expenditures of the U.S. Government*.

<sup>6</sup> Established under the Social Security Act, as amended in 1956.

Source: *Monthly Statement of Receipts and Expenditures of the U.S. Government* and unpublished Treasury reports.

**Table 4.—Old-age, survivors, and disability insurance: Monthly benefits in current-payment status at the end of the month by type of benefit and by month, May 1957–May 1958, and monthly benefits awarded, May 1958<sup>1</sup>**

[In thousands; data corrected to June 20, 1958]

Item	Total		Old-age		Wife's or husband's		Child's <sup>2</sup>		Widow's or widower's		Mother's		Parent's		Disability <sup>3</sup>	
	Number	Amount	Number	Amount	Number	Amount	Number	Amount	Number	Amount	Number	Amount	Number	Amount	Number	Amount
<b>In current-payment status at end of month:</b>																
<b>1957</b>																
May.....	10,175.7	\$544,894	5,734.4	\$366,472	1,684.1	\$57,519	1,411.7	\$53,572	1,006.2	\$50,904	311.4	\$14,994	27.9	\$1,433	-----	-----
June.....	10,342.1	554,637	5,832.3	373,230	1,719.0	58,749	1,427.4	54,283	1,020.5	51,707	314.9	15,224	28.1	1,445	-----	-----
July.....	10,567.4	569,611	5,913.0	379,047	1,743.6	59,640	1,440.1	54,862	1,032.9	52,406	318.6	15,470	28.3	1,456	90.9	\$6,730
August.....	10,678.2	576,754	5,966.8	383,165	1,760.9	60,309	1,448.2	55,281	1,043.8	53,025	320.2	15,585	28.4	1,461	109.9	7,928
September.....	10,791.5	584,010	6,029.4	387,759	1,778.7	60,986	1,459.2	55,846	1,055.0	53,657	320.5	15,613	28.5	1,471	120.1	8,679
October.....	10,924.3	592,236	6,098.4	392,769	1,799.9	61,764	1,475.4	56,601	1,068.3	54,414	322.5	15,733	28.7	1,482	131.1	9,473
November.....	11,025.9	598,720	6,148.7	396,494	1,814.5	62,310	1,487.7	57,228	1,080.6	55,118	325.1	15,895	28.8	1,492	140.5	10,183
December.....	11,128.9	605,455	6,197.5	400,250	1,827.0	62,802	1,502.1	57,952	1,095.1	55,944	328.3	16,102	28.9	1,501	149.8	10,904
<b>1958</b>																
January.....	11,204.9	611,155	6,236.3	403,699	1,835.3	63,191	1,509.4	58,365	1,106.0	56,567	329.8	16,207	29.0	1,506	159.1	11,621
February.....	11,322.1	619,803	6,300.6	409,358	1,854.0	64,014	1,518.7	58,858	1,119.5	57,345	331.4	16,320	29.0	1,511	168.9	12,397
March.....	11,460.6	629,412	6,380.2	415,822	1,875.3	64,908	1,531.9	59,485	1,132.1	58,068	334.5	16,523	29.1	1,514	177.6	13,091
April.....	11,628.1	641,038	6,476.9	423,649	1,903.6	66,076	1,545.8	60,193	1,147.2	58,959	338.0	16,770	29.1	1,519	187.5	13,872
May.....	11,758.5	649,699	6,551.8	429,409	1,925.2	66,920	1,557.3	60,751	1,160.2	59,717	340.2	16,934	29.2	1,526	194.6	14,441
Awarded, May 1958.....	222.3	13,527	116.4	8,480	40.2	1,444	26.3	1,047	19.0	1,055	7.8	448	.3	18	12.3	<sup>4</sup> 1,036

<sup>1</sup> For an explanation of the treatment of dual entitlements, see the *Bulletin* for April 1957, p. 29, table 4, footnote 1.

<sup>2</sup> Beginning January 1957, includes benefits payable to disabled persons aged 18 or over—dependent children of deceased or retired insured workers—whose disability began before age 18.

<sup>3</sup> Monthly benefits to disabled workers aged 50-64.

<sup>4</sup> Monthly amount before reduction for a workmen's compensation benefit or another Federal benefit for disability, other than compensation payable by the Veterans Administration for a service-connected disability.

**Table 5.—Old-age, survivors, and disability insurance: Number and average monthly amount of disability insurance benefits<sup>1</sup> in current-payment status, by indication of offset,<sup>2</sup> and of completely offset benefits in force, at the end of the month, July 1957–May 1958**

[Corrected to June 20, 1958]

Year and month	Benefits in current-payment status								Benefits in force with complete offset	
	Total			Without offset		With partial offset				
	Number	Average monthly amount payable	Average monthly amount before offset	Number	Average monthly amount payable	Number	Average monthly amount payable	Average monthly amount before offset	Number	Average monthly amount before offset
1957										
July.....	90,888	\$74.05	\$81.10	81,207	\$80.41	9,681	\$20.65	\$86.84	4,122	\$76.98
August.....	109,937	72.12	81.36	94,556	80.46	15,381	20.82	86.93	6,797	75.90
September.....	120,141	72.24	81.35	103,569	80.44	16,572	21.03	87.04	8,442	76.60
October.....	131,134	72.24	81.32	113,058	80.40	18,076	21.19	87.09	9,575	76.63
November.....	140,504	72.47	81.33	121,608	80.42	18,896	21.30	87.16	10,388	76.79
December.....	149,850	72.76	81.34	130,329	80.46	19,521	21.40	87.24	10,926	76.84
1958										
January.....	159,088	73.04	81.35	139,016	80.49	20,072	21.47	87.29	11,489	76.89
February.....	168,916	73.39	81.48	148,131	80.65	20,785	21.68	87.39	11,958	76.62
March.....	177,626	73.70	81.57	156,337	80.76	21,289	21.85	87.53	12,538	76.94
April.....	187,456	74.00	81.70	165,480	80.90	21,976	22.07	87.72	12,955	77.14
May.....	194,574	74.22	81.76	172,212	80.98	22,362	22.20	87.80	13,457	77.27

<sup>1</sup> Payable to disabled workers aged 50-64.

<sup>2</sup> A disability insurance benefit payable to a disabled worker who is receiving a workmen's compensation benefit or another Federal benefit for disability—

other than compensation payable by the Veterans Administration for a service-connected disability—is reduced by the amount of such benefit.



**Table 6.—Old-age, survivors, and disability insurance: Estimated number of employers<sup>1</sup> and workers and amount of earnings in covered employment, for specified period, 1940-57<sup>2</sup>**

[Data corrected to June 3, 1958. Beginning 1951, annual data include self-employment; quarterly data exclude self-employment and, after 1954, agricultural labor. Beginning 1955, estimates are preliminary]

Year and quarter	Employers reporting wages (in thousands)	Workers with taxable earnings <sup>3</sup> during period (in thousands)	Taxable earnings <sup>4</sup>		All workers in covered employment during period <sup>5</sup> (in thousands)	Total earnings in covered employment <sup>6</sup>	
			Total (in millions)	Average per worker		Total (in millions)	Average per worker
1940.....	2,500	35,393	\$32,974	\$932	35,393	\$35,668	\$1,008
1941.....	2,646	40,976	41,848	1,021	40,976	45,463	1,110
1942.....	2,655	46,363	52,939	1,142	46,363	58,219	1,256
1943.....	2,394	47,656	62,423	1,310	47,656	69,653	1,462
1944.....	2,469	46,296	64,426	1,392	46,296	73,349	1,584
1945.....	2,614	46,392	62,945	1,357	46,392	71,560	1,543
1946.....	3,017	48,845	69,088	1,414	48,845	79,260	1,623
1947.....	3,246	48,908	78,372	1,602	48,908	92,449	1,890
1948.....	3,298	49,018	84,122	1,716	49,018	102,255	2,086
1949.....	3,316	46,796	81,808	1,748	46,796	99,989	2,137
1950.....	3,345	48,283	87,498	1,812	48,283	109,804	2,274
1951.....	4,440	58,120	120,968	2,081	58,120	148,000	2,550
1952.....	4,450	59,576	128,724	2,161	59,576	161,000	2,700
1953.....	4,350	60,839	136,003	2,235	60,839	173,000	2,840
1954.....	4,350	59,610	133,588	2,241	59,610	172,000	2,890
1955.....	5,000	66,000	158,000	2,390	66,000	196,000	2,970
1956.....	5,100	68,000	170,000	2,500	68,000	214,000	3,150
1948							
January-March.....	2,588	39,560	23,080	583	39,560	23,923	605
April-June.....	2,690	40,245	22,708	564	40,524	24,668	609
July-September.....	2,609	40,585	21,150	521	41,675	25,700	617
October-December.....	2,661	36,790	17,184	467	41,540	27,964	673
1949							
January-March.....	2,639	38,162	23,376	613	38,162	24,254	636
April-June.....	2,693	38,591	22,571	585	38,894	24,570	632
July-September.....	2,697	38,333	20,160	526	39,601	24,971	631
October-December.....	2,692	34,529	15,701	455	39,477	26,194	664
1950							
January-March.....	2,671	37,393	23,490	628	37,393	24,316	650
April-June.....	2,766	39,264	24,052	613	39,557	26,210	663
July-September.....	2,768	40,486	22,382	553	41,923	28,165	672
October-December.....	2,741	35,609	17,574	494	41,792	31,113	744
1951							
January-March.....	3,552	43,908	30,336	691	43,908	31,000	710
April-June.....	3,658	45,483	30,693	675	45,718	33,000	720
July-September.....	3,635	45,693	27,815	609	46,778	35,000	710
October-December.....	3,638	41,846	22,702	543	46,107	35,000	760
1952							
January-March.....	3,595	45,145	33,159	734	45,145	34,000	750
April-June.....	3,690	46,659	32,627	699	46,903	35,000	750
July-September.....	3,663	46,772	29,166	624	48,082	36,000	750
October-December.....	3,640	42,630	24,067	565	47,697	39,000	820
1953							
January-March.....	3,590	46,951	36,382	775	46,951	37,000	790
April-June.....	3,662	48,220	35,963	746	48,497	39,000	800
July-September.....	3,654	47,637	30,864	648	49,187	39,000	790
October-December.....	3,652	41,353	22,824	552	48,046	41,000	850
1954							
January-March.....	3,620	45,984	35,813	779	45,984	37,000	800
April-June.....	3,726	46,790	35,084	750	47,115	38,000	810
July-September.....	3,715	46,250	30,058	650	47,972	38,000	790
October-December.....	3,768	40,292	22,598	561	46,984	41,000	870
1955							
January-March.....	3,830	46,700	38,053	815	46,700	39,000	840
April-June.....	3,951	48,400	38,776	801	48,600	41,000	840
July-September.....	3,948	49,300	35,621	723	50,500	43,000	850
October-December.....	3,985	44,800	28,054	626	50,000	46,000	920
1956							
January-March.....	3,976	48,500	42,606	878	48,500	44,000	910
April-June.....	4,060	50,400	42,072	835	50,600	45,000	890
July-September.....	4,060	50,500	36,600	720	52,000	46,000	880
October-December.....	4,090	45,000	28,600	640	51,500	49,000	950
1957							
January-March.....	4,060	53,000	47,100	890	53,000	49,000	920
April-June.....	4,160	54,000	45,700	850	54,500	50,000	920
July-September.....	4,180	54,000	40,000	740	56,000	52,000	930

<sup>1</sup> Annual data represent number of different employers filing returns for year; quarterly data, number of returns for quarter. A return may relate to more than 1 establishment if employer operates several separate establishments but reports for concern as a whole.

<sup>2</sup> Excludes joint coverage under the railroad retirement and old-age, survivors, and disability insurance programs.

<sup>3</sup> Represents reported workers with taxable earnings. Annual limit on tax-

able earnings was \$3,000 through 1950; for 1951-54, it was \$3,600; beginning 1955, it is \$4,200.

<sup>4</sup> Excludes earnings in excess of taxable limit.

<sup>5</sup> Includes workers with earnings in excess of annual taxable limit.

<sup>6</sup> Includes earnings in excess of annual taxable limit.

<sup>7</sup> Rounded to nearest \$10.

**Table 7.—Employment security: Selected data on nonfarm placements and unemployment insurance claims and benefits, by State, May 1958 <sup>1</sup>**

Region and State	Nonfarm place- ments	Initial claims		Weeks of unemploy- ment covered by continued claims		Compensated unemployment					Average weekly insured unemploy- ment <sup>3</sup>
		Total <sup>2</sup>	Women	Total	Women	All types of unemployment <sup>1</sup>			Total unemployment		
						Weeks com- pensated	Benefits paid <sup>4</sup>	Average weekly number of bene- ficiaries	Weeks com- pensated	Average weekly payment	
Total.....	<sup>6</sup> 439,152	1,537,683	516,873	13,217,325	4,211,803	12,019,556	\$363,550,267	2,731,717	11,198,909	\$30.80	<sup>6</sup> 2,983,960
Region I:											
Connecticut.....	6,445	29,755	11,269	291,696	124,852	271,272	9,313,650	61,653	261,606	34.92	66,214
Maine.....	1,750	9,570	3,984	114,128	50,824	109,974	2,351,123	24,994	99,226	21.71	25,124
Massachusetts.....	14,185	59,800	31,922	484,507	212,200	470,086	13,817,150	106,838	397,865	31.89	106,633
New Hampshire.....	1,730	5,848	2,577	54,644	25,400	48,392	1,090,739	10,998	44,115	23.47	12,458
Rhode Island.....	1,359	15,191	8,629	108,214	52,703	99,588	2,609,069	22,634	90,956	27.21	23,526
Vermont.....	1,068	2,769	1,166	20,723	7,988	20,070	470,387	4,561	18,450	24.32	4,643
Region II:											
New Jersey.....	10,528	58,987	25,529	588,115	263,308	579,582	18,538,687	131,723	530,110	32.79	136,327
New York.....	62,798	247,988	108,010	1,631,327	680,263	1,538,495	55,007,295	349,658	1,412,980	34.15	374,632
Puerto Rico.....	2,279	589	173	6,471	2,200	912	23,300	207	893	25.73	25,730
Virgin Islands.....	177	15	0	9	9	9	270	2	9	30.00	30,000
Region III:											
Delaware.....	586	2,706	807	27,399	7,591	32,641	1,092,792	7,418	30,263	34.61	6,217
District of Columbia.....	4,179	3,299	1,020	35,053	11,765	32,066	852,304	7,288	31,362	26.72	7,797
Maryland.....	4,843	22,141	7,799	193,910	61,326	193,837	5,811,344	44,054	181,116	30.74	42,944
North Carolina.....	9,623	45,746	22,507	260,650	117,169	264,151	5,323,243	60,034	243,101	20.78	63,513
Pennsylvania.....	18,052	166,954	51,872	1,413,590	408,897	1,254,227	36,449,069	285,052	1,156,784	30.23	320,660
Virginia.....	6,282	19,524	8,362	128,833	42,132	102,771	2,366,798	23,357	95,418	23.92	29,329
West Virginia.....	1,696	16,559	1,417	230,780	26,047	192,782	4,598,657	43,814	176,993	24.66	52,730
Region IV:											
Alabama.....	7,355	20,225	5,786	198,064	48,719	158,514	3,591,038	36,026	152,248	22.96	44,220
Florida.....	16,397	26,335	8,493	151,806	51,124	118,539	2,828,836	26,941	112,162	24.31	35,251
Georgia.....	11,203	25,822	9,687	245,779	96,592	192,351	4,420,000	43,716	173,585	23.99	50,532
Mississippi.....	7,061	12,256	4,116	105,204	30,298	83,481	1,721,376	18,973	76,575	21.33	22,982
South Carolina.....	5,776	13,401	5,627	102,249	45,481	84,567	1,790,295	19,220	77,336	21.74	22,516
Tennessee.....	9,159	22,168	7,537	271,113	83,604	210,306	4,707,619	47,797	195,317	22.95	59,640
Region V:											
Kentucky.....	3,708	18,642	4,841	271,062	63,968	203,105	5,099,697	46,160	190,592	25.74	61,284
Michigan.....	7,573	112,199	18,138	1,126,910	199,398	992,789	36,401,691	225,634	974,100	37.02	265,464
Ohio.....	15,849	84,668	17,019	950,729	213,911	896,818	29,535,314	203,822	864,908	33.49	211,265
Region VI:											
Illinois.....	16,958	81,274	30,200	718,311	253,265	668,269	20,238,993	151,879	620,930	31.22	169,847
Indiana.....	4,127	45,508	11,005	350,534	105,177	341,123	9,915,517	77,528	322,421	29.94	80,747
Minnesota.....	8,234	12,298	3,218	180,094	43,592	166,607	4,702,680	37,865	158,536	28.70	40,000
Wisconsin.....	5,959	18,639	4,624	195,442	47,689	168,668	5,578,225	38,334	154,710	33.61	43,717
Region VII:											
Iowa.....	7,389	4,765	1,753	52,011	22,348	47,500	1,182,130	10,795	42,483	25.94	11,724
Kansas.....	10,081	5,778	1,460	55,861	17,216	58,742	1,659,352	13,350	55,402	28.64	12,312
Missouri.....	6,424	41,810	17,370	250,110	83,865	205,294	5,283,145	46,658	178,045	27.81	54,909
Nebraska.....	5,625	2,163	884	26,511	13,055	24,527	652,969	5,574	23,242	27.32	5,304
North Dakota.....	2,431	599	110	10,229	1,726	9,542	252,105	2,169	8,596	27.23	1,901
South Dakota.....	2,359	521	148	5,268	1,764	4,797	116,776	1,090	4,344	25.25	1,168
Region VIII:											
Arkansas.....	6,290	12,217	2,719	111,898	24,610	77,268	1,569,212	17,561	71,033	20.86	24,215
Louisiana.....	6,567	17,380	2,289	130,433	22,199	113,644	2,566,171	25,828	106,040	23.24	29,514
Oklahoma.....	11,950	10,182	2,872	108,887	30,509	103,784	2,554,345	23,587	96,194	25.40	23,912
Texas.....	39,549	36,917	8,504	313,559	71,719	321,423	7,758,988	73,051	305,726	24.52	76,115
Region IX:											
Colorado.....	8,220	4,369	858	43,430	11,131	41,789	1,293,134	9,498	38,457	31.76	9,378
Montana.....	2,293	2,697	603	36,773	11,340	41,838	1,133,325	9,509	41,838	26.83	7,768
New Mexico.....	3,704	4,431	534	31,442	4,974	25,147	633,196	5,715	23,476	25.79	5,707
Utah.....	2,926	3,908	1,001	33,660	10,026	31,611	952,635	7,184	28,493	31.33	7,366
Wyoming.....	1,534	1,065	167	12,309	2,644	12,402	439,638	2,819	11,053	36.00	2,638
Region X:											
Arizona.....	4,905	6,584	1,597	46,365	12,764	33,929	887,517	7,711	32,050	26.61	10,238
California.....	30,655	138,828	47,582	1,153,797	405,180	1,052,175	34,152,921	239,131	993,328	33.26	255,176
Hawaii.....	657	1,451	557	15,952	6,636	15,263	375,653	3,469	12,606	26.68	( <sup>7</sup> )
Nevada.....	2,056	2,735	646	20,329	5,871	22,753	845,114	5,171	21,174	38.00	4,468
Region XI:											
Alaska.....	665	1,116	160	19,986	2,414	22,792	826,732	5,180	21,132	36.66	( <sup>7</sup> )
Idaho.....	4,427	1,958	634	19,496	4,006	17,948	626,887	4,079	16,823	35.56	4,140
Oregon.....	4,522	12,115	2,257	98,157	25,341	92,207	3,092,602	20,956	84,622	34.37	20,678
Washington.....	6,974	23,218	4,834	163,516	42,982	147,189	4,448,562	33,452	138,085	30.90	35,140

<sup>1</sup> Includes data for the Federal employees' unemployment compensation program, administered by the States as agents of the Federal Government.

<sup>2</sup> Excludes transitional claims.

<sup>3</sup> Total, part-total, and partial.

<sup>4</sup> Not adjusted for voided benefit checks and transfers under interstate combined-wage plan.

<sup>5</sup> Includes 10 placements made during May in Guam, where an employment service office was officially opened in February 1958.

<sup>6</sup> Excludes Alaska and Hawaii.

<sup>7</sup> Data not available.

Source: Department of Labor, Bureau of Employment Security, and affiliated State agencies.

**Table 8.—Public assistance in the United States, by month, May 1957–May 1958 <sup>1</sup>**

[Except for general assistance, includes vendor payments for medical care and cases receiving only such payments]

Year and month	Total <sup>2</sup>	Old-age assistance	Aid to dependent children			Aid to the blind	Aid to the permanently and totally disabled	General assistance (cases) <sup>4</sup>	Total	Old-age assistance	Aid to dependent children (recipients)	Aid to the blind	Aid to the permanently and totally disabled	General assistance (cases) <sup>4</sup>
			Families	Recipients										
				Total <sup>3</sup>	Children									

1957	Number of recipients								Percentage change from previous month					
May.....		2,506,394	646,224	2,392,527	1,826,673	108,142	281,865	309,000	-----	-0.1	+0.7	+0.2	+1.0	-5.0
June.....		2,503,820	647,207	2,398,792	1,831,924	108,443	283,910	294,000	-----	-1	+3	+3	+7	-4.9
July.....		2,500,712	644,102	2,391,192	1,826,543	108,667	285,545	290,000	-----	-1	-3	+2	+6	-1.2
August.....		2,498,152	644,953	2,398,768	1,832,615	108,611	285,928	291,000	-----	-1	+3	-1	+1	+1
September.....		2,493,890	646,952	2,413,863	1,845,570	108,433	285,709	288,000	-----	-2	+6	-2	-1	-8
October.....		2,495,830	651,482	2,433,476	1,861,772	108,452	287,410	298,000	-----	+1	+8	( <sup>5</sup> )	+6	+3.3
November.....		2,491,486	657,016	2,456,633	1,879,870	108,481	288,963	312,000	-----	-2	+1.0	( <sup>5</sup> )	+5	+4.9
December.....		2,487,483	667,280	2,498,196	1,913,260	108,434	291,247	344,000	-----	-2	+1.7	( <sup>5</sup> )	+8	+10.1
1958														
January.....		2,480,860	678,078	2,541,178	1,946,187	108,214	293,468	392,000	-----	-3	+1.7	-2	+8	+13.9
February.....		2,474,557	690,027	2,587,697	1,981,829	107,731	295,704	422,000	-----	-3	+1.8	-4	+8	+7.8
March.....		2,470,707	704,537	2,641,953	2,023,630	107,788	299,875	452,000	-----	-2	+2.1	+1	+1.4	+6.9
April.....		2,466,035	716,320	2,687,930	2,057,987	107,900	304,872	454,000	-----	-2	+1.7	+1	+1.7	+5
May.....		2,464,409	725,042	2,721,003	2,082,893	108,144	309,502	432,000	-----	-1	+1.2	+2	+1.5	-4.8
1957	Amount of assistance								Percentage change from previous month					
May.....	\$256,601,000	\$146,766,526		\$62,471,755		\$6,901,479	\$16,697,046	\$17,291,000	-0.2	+0.1	+0.2	+0.7	+1.6	-6.8
June.....	255,472,000	146,870,779		62,467,775		6,925,697	16,778,530	16,133,000	-4	+1	( <sup>5</sup> )	+4	+5	-6.7
July.....	256,032,000	147,642,412		62,369,825		6,990,762	16,990,220	16,199,000	+2	+5	-2	+9	+1.2	+4
August.....	256,714,000	147,922,885		62,611,460		6,981,959	16,973,423	16,232,000	+3	+2	+4	-1	-1	+2
September.....	256,605,000	147,377,859		63,332,635		6,942,681	16,870,915	16,137,000	( <sup>5</sup> )	-4	+1.2	-6	-6	-6
October.....	263,893,000	151,360,052		65,176,163		7,179,571	17,093,589	17,149,000	+2.8	+2.7	+2.9	+3.4	+1.3	+6.3
November.....	264,857,000	150,609,473		65,739,420		7,160,124	17,296,872	17,848,000	+4	-5	+9	-3	+1.2	+4.1
December.....	269,798,000	150,950,861		67,207,975		7,183,862	17,481,142	20,558,000	+1.9	+2	+2.2	+3	+1.1	+15.2
1958														
January.....	274,843,000	151,562,201		68,624,431		7,186,969	17,741,992	23,597,000	+1.9	+4	+2.1	( <sup>5</sup> )	+1.5	+14.9
February.....	277,817,000	151,153,017		70,012,017		7,168,691	17,910,363	25,223,000	+1.1	-3	+2.0	-3	+9	+6.9
March.....	284,045,000	151,455,718		72,021,054		7,189,901	18,198,590	27,579,000	+2.2	+2	+2.9	+3	+1.6	+9.3
April.....	285,222,000	151,009,093		73,458,013		7,191,081	18,477,244	27,725,000	+4	-3	+2.0	( <sup>5</sup> )	+1.5	+5
May.....	285,678,000	151,344,772		74,266,795		7,196,910	18,704,455	26,454,000	+2	+2	+1.1	+1	+1.2	-4.6

<sup>1</sup> For definition of terms see the *Bulletin*, October 1957, p. 18. All data subject to revision.

<sup>2</sup> Total exceeds sum of columns because of inclusion of vendor payments for medical care from general assistance funds and from special medical funds; data for such expenditures partly estimated for some States.

<sup>3</sup> Includes as recipients the children and 1 parent or other adult relative in

families in which the requirements of at least 1 such adult were considered in determining the amount of assistance.

<sup>4</sup> Beginning September 1957, excludes Idaho; data not available. Percentage change based on data for 52 States.

<sup>5</sup> Increase of less than 0.05 percent.

<sup>6</sup> Decrease of less than 0.05 percent.



Table 9.—Average payments including vendor payments for medical care, average amount of money payments, and average amount of vendor payments for assistance cases, by program and State, May 1958 <sup>1</sup>

State	Old-age assistance			Aid to dependent children (per recipient)			Aid to the blind			Aid to the permanently and totally disabled		
	All assistance <sup>2</sup>	Money payments to recipients <sup>3</sup>	Vendor payments for medical care <sup>3</sup>	All assistance <sup>2</sup>	Money payments to recipients <sup>3</sup>	Vendor payments for medical care <sup>3</sup>	All assistance <sup>2</sup>	Money payments to recipients <sup>3</sup>	Vendor payments for medical care <sup>3</sup>	All assistance <sup>2</sup>	Money payments to recipients <sup>3</sup>	Vendor payments for medical care <sup>3</sup>
Total, 53 States <sup>4</sup>	\$61.41	\$55.92	\$5.66	\$27.29	\$25.79	\$1.52	\$66.55	\$62.52	\$4.12	\$60.43	\$52.76	\$7.95
Alabama	38.82	38.81	.01	8.42	8.41	.01	53.96	49.61	4.37	33.34	33.30	.04
Arkansas	49.50	44.48	5.05	15.97	14.80	1.18	104.85	98.98	6.00	37.43	30.87	6.63
California	84.05	78.15	6.00	45.52	41.85	3.79	75.68	67.73	7.95	60.73	58.20	2.53
Colorado	92.27	80.89	11.38	32.04	30.43	1.61	99.51	82.51	17.00	117.83	85.83	32.00
Connecticut	<sup>5</sup> 106.11	<sup>5</sup> 87.11	19.00	45.06	40.47	4.59	71.41	65.59	6.30	66.55	66.31	.24
Delaware	56.51	56.23	.28	28.40	28.36	.04	63.18	56.52	6.65	64.24	58.68	5.56
Dist. of Col.	51.40	45.85	5.56	29.44	26.70	2.74	77.25	58.76	19.53	81.04	57.27	25.04
Hawaii	66.52	45.35	23.29	37.39	34.13	3.27	68.15	57.51	10.83	( <sup>6</sup> )	( <sup>6</sup> )	( <sup>6</sup> )
Illinois	58.15	42.47	15.87	28.09	25.18	2.94	76.78	69.49	7.62	77.52	65.33	12.64
Indiana	73.14	63.55	9.90	33.54	30.38	3.32	73.83	72.14	1.72	50.40	47.48	2.95
Iowa	63.28	61.62	1.67	20.92	20.81	.11	61.40	54.40	7.00	63.15	53.15	10.00
Kansas	57.80	49.82	8.00	26.66	25.79	.86	59.68	57.12	2.55	63.67	59.36	4.32
Louisiana	55.42	52.33	3.09	26.57	24.81	1.76	114.30	106.35	8.27	117.37	86.35	32.97
Maine	96.78	78.25	19.12	46.16	43.19	3.06	97.47	76.06	21.41	83.48	77.55	5.97
Maryland	66.93	61.04	5.93	36.82	36.69	.13	71.39	69.55	1.84	60.10	55.92	4.71
Massachusetts	82.37	69.93	12.44	42.00	35.70	6.33	80.19	63.50	17.02	68.86	54.64	14.41
Michigan	63.71	53.32	10.57	27.57	26.67	.91	98.02	92.10	5.92	( <sup>6</sup> )	( <sup>6</sup> )	( <sup>6</sup> )
Minnesota	68.31	62.32	5.99				73.71	62.12	11.60	85.20	55.01	30.35
Montana	68.21	52.70	15.52	38.36	34.51	3.88	79.69	76.63	3.06	90.90	81.98	8.92
Nebraska	81.72	70.20	11.52	42.78	41.68	1.11	56.65	51.40	5.25	56.65	50.07	6.57
Nevada	53.57	47.15	6.43	26.17	23.59	2.58	95.68	84.27	12.56	92.65	74.19	20.21
New Hampshire	37.03	35.75	1.28	18.31	17.91	.40	46.26	45.19	1.08	42.50	40.18	2.32
New Jersey	93.38	76.88	18.10	39.08	35.90	3.32	76.25	57.95	18.83	96.40	75.71	20.84
New Mexico	37.03	35.75	1.28	18.31	17.91	.40	63.05	57.09	6.03	59.45	52.25	7.24
New York	81.71	67.96	13.82	36.51	32.71	3.87	84.58	78.71	5.88	75.91	70.24	5.66
North Carolina	64.97	58.75	6.21	24.58	24.44	.13	88.06	73.00	15.06	89.31	69.03	20.37
North Dakota	88.81	62.93	5.88	29.10	25.53	3.57	62.76	59.62	3.14	59.25	52.70	6.55
Ohio	80.88	59.17	21.74	39.69	36.85	2.86	72.02	66.02	6.00	76.77	64.83	12.00
Oklahoma	51.37	46.19	5.18	30.08	28.47	1.61	43.53	42.09	1.44	42.15	40.90	1.25
Oregon	70.08	61.13	9.00	34.49	30.73	3.76	68.49	62.46	6.03	67.29	61.41	5.88
Pennsylvania	39.79	37.79	2.00	18.71	18.18	.53	( <sup>7</sup> )	( <sup>7</sup> )	( <sup>7</sup> )	20.29	19.80	.50
Rhode Island	63.51	57.51	6.00	34.79	32.28	2.52	97.20	89.59	7.72	98.03	85.40	13.00
Tennessee	18.61	18.14	.50	9.33	9.17	.16	38.24	37.10	1.14	38.95	35.66	3.29
Texas	85.57	76.31	9.42	44.01	39.14	4.89	81.34	68.11	13.42	117.66	85.21	32.93
Utah	34.10	32.65	1.45	23.55	22.77	.77	80.29	64.94	15.35	71.22	61.44	9.77
Virgin Islands	76.85	61.65	15.66	43.26	37.71	5.59						
Washington	70.30	61.31	8.99	36.52	34.12	2.40						
West Virginia												
Wisconsin												
Wyoming												

<sup>1</sup> Averages for general assistance not computed because of difference among States in policy or practice regarding use of general assistance funds to pay medical bills for recipients of the special types of public assistance. Figures in italics represent payments made without Federal participation. For State programs not shown, no vendor payments were made during the month or such payments were not reported.

<sup>2</sup> Averages based on cases receiving money payments, vendor payments for medical care, or both.

<sup>3</sup> May also include small amounts for assistance in kind and vendor payments

for other than medical care. Averages based on number of cases receiving payments. See tables 11-14 for average payments for State programs under which no vendor payments for medical care were made.

<sup>4</sup> For aid to the permanently and totally disabled represents data for the 48 States with programs in operation.

<sup>5</sup> Includes retroactive payments covering increase in rate for convalescent care.

<sup>6</sup> No program for aid to the permanently and totally disabled.

<sup>7</sup> Average payment not computed on base of less than 50 recipients.

## TRUSTEES REPORT (Continued from page 28)

This figure as to the size of the aged population does not allow for any underenumeration in the census, which might amount to as much as 400,000 for this age group. It is estimated that by the year 2000 the number of persons aged 65 and over will be about double the present number and will represent from 9 to 13 percent of the population. The effect on the finances of the old-age and survivors insurance system of

this expected change in the number of aged persons will be even greater than may at first appear, because at the end of the century a much larger proportion of aged persons is expected to be eligible to receive benefits under the program than at present.

The level-premium cost of the two programs—that is, the level percentage of payroll which would be sufficient to finance the cost of the benefits in perpetuity—at a 3-percent interest assumption, range from 6.97 to 8.99 percent of payroll for the

old-age and survivor benefits and from 0.24 to 0.49 percent of payroll for the monthly disability benefits, depending upon the combination of assumptions selected. Tables 3 and 4 show the estimated contributions, benefit payments, administrative expenses, interest earnings, and assets of the two trust funds through the year 2050, under alternative combinations of assumptions with respect to benefit costs.

The excess of the level-premium contribution rate equivalent to the graded schedule in the law over the

Table 10.—Amount of vendor payments for medical care for recipients of public assistance, by program and State, May 1958 <sup>1</sup>

State	Old-age assistance	Aid to dependent children	Aid to the blind	Aid to the permanently and totally disabled	General assistance
Total.....	\$13,946,833	\$4,144,088	\$446,003	\$2,460,206	<sup>2</sup> \$7,711,000
Alabama.....	1,035	1,032		559	18
Alaska.....				( <sup>3</sup> )	<sup>4</sup> 22,324
Arkansas.....	282,310	30,209	8,858	45,563	
California.....	1,598,808	855,513	83,076		112,274
Colorado.....	504,138	41,691	2,608	13,855	( <sup>3</sup> )
Connecticut.....	288,477	94,215	5,168	65,664	( <sup>3</sup> )
Delaware.....			1,707		
District of Columbia.....	858	500		579	122
Hawaii.....	8,544	29,760	532	6,174	
Illinois.....	1,912,102	397,767	63,151	420,933	<sup>4</sup> 572,636
Indiana.....	486,758	110,288	19,890		<sup>4</sup> 296,631
Iowa.....				( <sup>3</sup> )	<sup>4</sup> 258,052
Kansas.....	305,981	66,849	4,778	54,044	46,168
Louisiana.....	207,801	10,958	4,256	43,981	5,526
Maine.....	97,904	15,759	3,311	13,730	<sup>4</sup> 69,691
Maryland.....	29,996	53,944	1,163	21,824	
Massachusetts.....	1,625,844	140,693	16,642	313,270	163,354
Michigan.....	397,446	11,030		20,664	176,734
Minnesota.....	604,114	191,288	24,124	8,863	406,182
Montana.....			716		<sup>4</sup> 189,995
Nebraska.....	174,015	10,077	16,574	20,605	<sup>4</sup> 57,939
Nevada.....	15,474		900	( <sup>3</sup> )	( <sup>3</sup> )
New Hampshire.....	82,368	15,118	2,783	10,076	( <sup>3</sup> )
New Jersey.....	220,976	32,616	2,759	45,547	167,572
New Mexico.....	66,060	66,857	2,030	13,146	12,854
New York.....	1,610,354	824,709	52,555	788,816	176,675
North Carolina.....	65,033	39,308	5,322	37,542	<sup>4</sup> 244,593
North Dakota.....	104,874	24,618	2,090	21,524	<sup>4</sup> 20,169
Ohio.....	563,131	10,837	22,264	67,578	<sup>4</sup> 1,347,615
Oklahoma.....	549,144	205,410	11,094	46,572	( <sup>3</sup> )
Oregon.....	390,311	53,529	4,473	86,927	101,981
Pennsylvania.....	253,935	244,812	54,908	99,474	181,126
Rhode Island.....	64,845	60,465	798	27,816	<sup>4</sup> 52,452
South Carolina.....					<sup>4</sup> 16,711
South Dakota.....					<sup>4</sup> 138,749
Tennessee.....	114,246	39,049	4,180	6,886	
Utah.....	52,152	28,684	1,326	11,220	1,815
Virgin Islands.....	311	137	6	51	123
Virginia.....					<sup>4</sup> 15,257
Washington.....	520,334	195,813	5,870	75,856	174,870
West Virginia.....	31,158	56,936	1,246	24,950	<sup>4</sup> 11,121
Wisconsin.....	593,073	168,468	13,878	40,893	252,851
Wyoming.....	32,925	6,049	967	5,024	16,003

<sup>1</sup> For the special types of public assistance figures in italics represent payments made without Federal participation. For State programs not shown, no vendor payments were made during the month or such payments were not reported.  
<sup>2</sup> Includes an estimated amount for States making vendor payments for medical care from general assistance funds and from special medical funds and reporting

these data semiannually but not on a monthly basis.

<sup>3</sup> No program for aid to the permanently and totally disabled.

<sup>4</sup> Includes payments made in behalf of recipients of the special types of public assistance.

<sup>5</sup> Data not available.

level-premium cost of benefits and administrative expenses (after appropriate adjustment for the effect of interest earnings on the existing trust fund) is used to indicate the actuarial balance of the system. A negative figure indicates the extent of lack of actuarial balance; a positive figure indicates more than sufficient financing (according to the estimate). The following table shows these figures for the old-age and survivors insurance program and the disability insurance program (computed as of the beginning of 1958).

In view of the very long-range nature of these projections, and the many variable factors involved, the deficiency for the old-age and survivors insurance system under the

intermediate-cost estimate is relatively small and so the system may be

(Percent)			
Item	Low cost	High cost	Intermediate cost
Old-age and survivors insurance:			
Contributions.....	7.38	7.28	7.33
Benefit cost <sup>1</sup> .....	6.97	8.99	7.90
Net difference.....	.41	-1.71	-.57
Disability insurance:			
Contributions.....	0.50	0.50	0.50
Benefit costs <sup>1</sup> .....	.24	.49	.35
Net difference.....	.26	.01	.15

<sup>1</sup> Including adjustments (a) to reflect lower contribution rate for self-employed as compared with employer-employee rate, (b) for existing trust fund, and (c) for administrative expenses.

said to be in approximate actuarial balance. Under the intermediate-cost estimate the old-age and survivors insurance trust fund would have a balance of more than \$55 billion in the year 2025 and thus there is ample time in the future to make adjustments which might be needed in the light of further experience and of future estimates. The disability insurance program shows a small "surplus" according to the intermediate-cost estimate. However, considering the variability of cost estimates for disability benefits, this program also may be considered in approximate actuarial balance, and this small actuarial excess is certainly no more than a moderate safety factor.

**Table 11.—Old-age assistance: Recipients and payments to recipients, by State, May 1958<sup>1</sup>**

[Includes vendor payments for medical care and cases receiving only such payments]

State	Number of recipients	Payments to recipients		Percentage change from—			
		Total amount	Average	April 1958 in—		May 1957 in—	
				Number	Amount	Number	Amount
Total <sup>2</sup>	2,464,409	\$151,344,772	\$61.41	-0.1	+0.2	-1.7	+3.1
Ala.	103,145	4,003,868	38.82	-1	+2	-1.9	-13.2
Alaska	1,529	94,491	61.80	-8	-4	-3.7	-6.7
Ariz.	14,043	774,147	55.13	-2	-4	-5	-1.2
Ark.	55,855	2,764,676	49.50	+5	+12.7	+1.5	+40.1
Calif.	266,468	22,397,305	84.05	+1	+1	+9	+12.8
Colo. <sup>3</sup>	52,193	4,815,880	92.27	-1	-1	-5	+11.3
Conn.	15,183	1,611,136	106.11	+4	-7	-3.7	+21.0
Del.	1,541	75,589	49.05	-2	-6	-6.1	-6.1
D. C.	3,116	176,073	56.51	+2	+3.2	+3.6	+3.6
Fla.	69,230	3,729,821	53.88	+1	( <sup>4</sup> )	+3	+9.2
Ga.	97,978	4,244,688	43.32	+1	+1	-2	+1.0
Hawaii	1,538	79,059	51.40	+2	+1	-3.1	+3
Idaho	8,017	485,362	60.54	-5	-6	-2.8	-2.6
Ill.	82,093	5,460,933	66.52	-3	+3	-5.5	-6.7
Ind.	30,679	1,783,908	58.15	-3	+1.9	-6.3	-2.1
Iowa	37,201	2,507,715	67.41	-3	-2	-4.1	-5.3
Kans.	30,895	2,259,711	73.14	-5	( <sup>4</sup> )	-4.7	-2.1
Ky.	57,492	2,221,459	38.64	-1	-1	-1.8	-1.8
La.	124,216	7,860,800	63.28	+1	( <sup>4</sup> )	-1	+2
Maine	12,238	707,350	57.80	+1	+3.9	+4.3	+13.3
Md.	9,707	537,971	55.42	+2	+6.3	-2.1	+6.6
Mass.	85,030	8,229,590	96.78	-1	-1.2	-2.0	+9.9
Mich.	67,014	4,485,171	66.93	( <sup>4</sup> )	-3.1	-3.0	+2.9
Minn.	48,554	3,999,334	82.37	-1	+3.4	-2.7	+7.3
Miss.	81,011	2,422,290	29.90	+1	( <sup>4</sup> )	+1	+4.3
Mo.	123,188	6,713,873	54.50	-2	-2	-2.8	-3.0
Mont.	7,904	487,187	61.64	-1.0	-1.1	-5.2	-5.7
Nebr.	16,464	1,048,920	63.71	-2	-1	-3.7	+15.6
Nev.	2,584	176,515	68.31	-2	( <sup>4</sup> )	+1.5	+3.8
N. H.	5,306	361,908	68.21	-4	+1	-4.7	-8
N. J.	19,181	1,567,479	81.72	-1	-2	-1.4	+1.4
N. Mex.	10,278	550,632	53.57	+5	+5	+8.0	+9.1
N. Y.	88,989	8,310,203	93.38	-3	-9	-3.7	+1.1
N. C.	50,807	1,881,199	37.03	+1	+4	-1.8	+3.4
N. Dak.	7,586	619,877	81.71	-3	+1.3	-4.4	-7.9
Ohio	90,652	5,889,335	64.97	-2	( <sup>4</sup> )	-4.4	-3.5
Okla.	93,370	6,424,883	68.81	-2	-8	-1.2	+2.0
Oreg.	17,957	1,452,433	80.88	+1	+8	-9	-1.4
Pa.	49,042	2,519,397	51.57	-2	( <sup>4</sup> )	-3.9	-2.4
P. R.	41,502	336,824	8.12	-3	( <sup>4</sup> )	-3.0	-2.0
R. I.	7,205	504,922	70.08	-4	-1.0	-3.8	-3.0
S. C.	35,520	1,343,576	37.83	-4	-3	-4.1	-2.3
S. Dak.	9,753	505,696	51.85	-1	( <sup>4</sup> )	-3.2	+0.4
Tenn.	57,123	2,273,077	39.79	+2	+3.2	-2.0	+9.8
Tex.	224,741	10,575,195	47.06	( <sup>4</sup> )	( <sup>4</sup> )	+1	+4.8
Utah	8,698	552,404	63.51	-2	-2	-5.0	-2.5
Vt.	6,128	311,434	50.82	-5	-5	-5.9	-5.1
V. I.	619	11,522	18.61	0	+1	-6.8	-6.5
Va.	15,331	563,861	36.31	-4	( <sup>4</sup> )	-3.5	+3.5
Wash.	55,213	4,724,836	85.57	-1	+2	-9	-9.9
W. Va.	21,433	730,883	34.10	-1	-5	-4.0	+3.0
Wis.	38,006	2,920,870	76.85	-4	+2.0	-4.5	-1.5
Wyo.	3,663	257,514	70.30	-3	-1.4	-3.7	+9.5

<sup>1</sup> For definition of terms see the *Bulletin*, October 1957, p. 18. All data subject to revision.

<sup>2</sup> Includes 4,070 recipients aged 60-64 in Colorado and payments of \$346,325 to these recipients. Such payments were made without Federal participation.

<sup>3</sup> In addition, supplemental payments of \$9,888 from general assistance funds were made to 43 recipients.

<sup>4</sup> Includes retroactive payments covering increase in rate for convalescent care.

<sup>5</sup> Increase of less than 0.05 percent.

<sup>6</sup> Decrease of less than 0.05 percent.

**Table 12.—Aid to the blind: Recipients and payments to recipients, by State, May 1958<sup>1</sup>**

[Includes vendor payments for medical care and cases receiving only such payments]

State	Number of recipients	Payments to recipients		Percentage change from—			
		Total amount	Average	April 1958 in—		May 1957 in—	
				Number	Amount	Number	Amount
Total <sup>2</sup>	108,144	\$7,196,910	\$66.55	+0.2	+0.1	( <sup>3</sup> )	+4.3
Ala.	1,694	61,059	36.04	+7	+1.0	+0.7	-5.0
Alaska	90	6,129	68.10	( <sup>4</sup> )	( <sup>4</sup> )	( <sup>4</sup> )	( <sup>4</sup> )
Ariz.	810	51,722	63.85	+1.0	+5	-2	-9
Ark.	2,025	109,260	53.96	+7	+9.7	-4	+28.1
Calif. <sup>3</sup>	13,846	1,451,783	104.85	+7	+5	+3.3	+17.5
Colo.	328	24,823	75.68	+3	+7	+6	+9.3
Conn.	304	30,250	99.51	-1.0	-1	-8.4	-12.8
Del.	271	19,351	71.41	+2.3	+1.5	+17.3	+20.1
D. C.	234	14,911	63.72	-1.3	-1.9	-7.1	-8.0
Fla.	2,524	146,445	58.02	+7	+6	-5	+7.8
Ga.	3,482	167,412	48.08	-1	-3	-4	-2
Hawaii	80	5,054	63.18	( <sup>4</sup> )	( <sup>4</sup> )	( <sup>4</sup> )	( <sup>4</sup> )
Idaho	181	11,713	64.71	+2.3	+2.3	-3.7	-8.3
Ill.	3,234	249,840	77.25	-2	-1	-5.1	+5.1
Ind.	1,837	125,186	68.15	+1.0	+4	+2.0	+2.2
Iowa	1,462	120,106	82.15	+3	+4	-1.6	-2.8
Kans.	627	48,140	76.78	+5	-1.7	+6	-2.6
Ky.	3,260	129,857	39.83	+1	( <sup>4</sup> )	-3	-2
La.	2,473	182,579	73.83	+8	+4	+7.8	+7.1
Maine	473	29,041	61.40	+9	+2.7	-4.1	+3.2
Md.	456	27,212	59.68	-4	+3.9	-3.4	+2.0
Mass.	2,012	229,977	114.30	-1	-3.4	+2.6	+8.3
Mich.	1,784	123,259	69.09	+4	-3.9	-6	-3.6
Minn.	1,127	109,844	97.47	+4	+5.5	-3.7	+8.1
Miss.	5,348	206,961	38.70	+6	+6	+13.6	+13.4
Mo.	5,112	306,720	60.00	+4	+4	+1	+1
Mont.	389	27,770	71.39	-2.5	-5.5	-6.3	-2.7
Nebr.	974	78,106	80.19	+7	+1.5	+6.8	+30.7
Nev.	152	14,899	98.02	+4.1	+5.9	+33.3	+59.4
N. H.	240	17,691	73.71	-8	-4	-4.8	+1.5
N. J.	903	71,956	79.69	+4	+1.5	-3.1	-6
N. Mex.	387	21,922	56.65	-1.0	-1.0	-1.3	-6
N. Y.	4,185	400,430	95.68	-7	-1.3	-2.5	-1.7
N. C.	4,935	228,312	46.26	-2	+2	+7	+3.6
N. Dak.	1,111	8,464	76.25	0	+14.0	-3.5	+20.3
Ohio	3,695	232,970	63.05	+1	-4.2	-4.2	-7.4
Okla.	1,887	159,611	84.58	-3	-8	-2.7	+3
Oreg.	297	26,153	88.06	-2.3	+2.0	-8.0	-2.8
Pa.	17,486	1,097,462	62.76	+1	-5	-4	-1
P. R.	1,842	14,848	8.06	+4	+6	+4.8	+5.5
R. I.	133	9,579	72.02	+8	-1.3	-3.6	-6.1
S. C.	1,780	74,504	41.86	+2	+1	+8	+1.0
S. Dak.	180	9,266	51.48	+6	-1	-6.2	+2.6
Tenn.	2,903	126,359	43.53	-2	+2	-3.9	+2.1
Tex.	6,042	308,383	51.04	+6	+7	-6.9	-2.8
Utah	220	15,067	68.49	-1.3	-6	-9	-4.5
Vt.	139	7,429	53.45	+2.2	+1.9	+2.2	+2.8
V. I.	22	437	( <sup>4</sup> )	( <sup>4</sup> )	( <sup>4</sup> )	( <sup>4</sup> )	( <sup>4</sup> )
Va.	1,214	51,679	42.57	+2	+9	-4.9	+4
Wash.	760	73,870	97.20	-9	+2.1	-3.3	-21.2
W. Va.	1,097	41,948	38.24	+3	-8	-4.5	+2.9
Wis.	1,034	84,103	81.34	-5	+6.0	-2.5	-1.3
Wyo.	63	5,058	80.29	( <sup>4</sup> )	( <sup>4</sup> )	( <sup>4</sup> )	( <sup>4</sup> )

<sup>1</sup> For definition of terms see the *Bulletin*, October 1957, p. 18. All data subject to revision.

<sup>2</sup> Data include recipients of payments made without Federal participation and payments to these recipients as follows: California, \$31,063 to 349 recipients; Missouri, \$41,838 to 676 recipients; and Pennsylvania, \$629,976 to 10,382 recipients.

<sup>3</sup> Increase of less than 0.05 percent.

<sup>4</sup> Average payment not computed on base of less than 50 recipients; percentage change, on less than 100 recipients.

<sup>5</sup> Decrease of less than 0.05 percent.



Table 13.—Aid to dependent children: Recipients and payments to recipients, by State, May 1958 <sup>1</sup>

[Includes vendor payments for medical care and cases receiving only such payments]

State	Number of families	Number of recipients		Payments to recipients			Percentage change from—			
		Total <sup>2</sup>	Children	Total amount	Average per—		April 1958 in—		May 1957 in—	
					Family	Recipient	Number of recipients	Amount	Number of recipients	Amount
Total.....	725,042	2,721,003	2,082,893	\$74,266,795	\$102.43	\$27.29	+1.2	+1.1	+13.7	+18.9
Alabama.....	22,931	90,966	70,574	766,179	33.41	8.42	+8	+9	+11.3	-12.0
Alaska.....	1,219	4,249	3,136	122,085	100.15	28.73	-1.7	-2.0	-10.6	-12.2
Arizona.....	5,904	23,173	17,632	621,022	105.19	26.80	+1.9	+5.0	+12.5	+12.6
Arkansas.....	8,620	33,169	25,971	529,800	61.46	15.97	+2.7	+9.5	+1.4	+9.4
California.....	63,772	225,639	174,727	10,271,907	161.07	45.52	+1.9	+2.1	+20.2	+39.6
Colorado.....	6,699	25,841	20,058	828,033	123.61	32.04	+2	+7	+9.0	+17.7
Connecticut.....	6,281	20,539	15,231	925,492	147.35	45.06	+2.2	+1.8	+15.6	+26.4
Delaware.....	1,650	6,087	4,651	144,664	87.68	23.77	-1.1	-6	+13.6	+16.7
District of Columbia.....	3,082	13,318	10,423	378,215	122.72	28.40	+2.1	+1.2	+29.1	+38.6
Florida.....	24,582	89,407	69,088	1,453,784	59.14	16.26	+1.1	+1.2	+10.6	+9.4
Georgia.....	15,731	58,905	45,241	1,308,954	83.21	22.22	+9	+1.0	+4.9	+4.3
Hawaii.....	2,798	10,869	8,655	319,984	114.36	29.44	+1.0	+5	-1.0	-1.3
Idaho.....	1,892	6,929	5,099	266,629	140.92	38.48	-2	-1	+5.2	+7.5
Illinois.....	30,112	121,693	93,255	4,550,375	151.12	37.39	+2.5	+2.8	+14.3	+18.6
Indiana.....	10,323	37,455	28,043	1,052,111	101.92	28.09	+1.4	+1.3	+11.7	+13.8
Iowa.....	7,993	29,323	21,906	1,033,920	129.35	35.26	+1.1	+1.2	+8.1	+6.9
Kansas.....	5,433	20,105	15,624	674,226	124.10	33.54	+3	-4	+9.5	+10.0
Kentucky.....	20,260	73,685	55,597	1,446,084	71.38	19.63	+7	+6	+4.9	+4.4
Louisiana.....	24,685	99,284	76,676	2,077,178	84.15	20.92	+1.0	+8	+15.5	+13.8
Maine.....	5,253	18,303	13,436	487,875	92.88	26.66	+1.2	+1.1	+14.0	+14.7
Maryland.....	7,418	30,594	23,909	812,914	109.59	26.57	+8	+8.1	+11.2	+20.6
Massachusetts.....	13,628	45,978	34,047	2,122,418	155.74	46.16	+8	+3	+8.2	+19.9
Michigan.....	23,563	84,661	62,259	3,113,830	131.98	36.82	+2.0	+1.3	+15.4	+15.8
Minnesota.....	8,833	30,238	23,383	1,270,062	143.79	42.00	+1.1	+5.7	+6.7	+13.2
Mississippi.....	16,723	63,334	50,041	793,131	47.43	12.52	+2.6	+2.5	+22.6	+104.2
Missouri.....	24,644	92,377	69,874	2,041,552	82.84	22.10	+3.0	-4.2	+20.0	+14.0
Montana.....	2,142	7,659	5,904	252,211	117.75	32.93	-9	-7	-5.4	-4.1
Nebraska.....	2,993	11,125	8,408	306,770	102.50	27.57	-4	+1.3	+6.0	+8.6
Nevada.....	877	2,937	2,247	80,653	91.96	27.46	+3.8	+4.0	+33.2	+34.8
New Hampshire.....	1,019	3,892	2,938	149,310	146.53	38.36	+4	+1.6	+10.2	+15.5
New Jersey.....	8,855	29,462	22,311	1,260,465	142.35	42.78	+1.4	+1.8	+19.8	+22.5
New Mexico.....	6,911	25,879	19,708	677,372	98.01	26.17	+1.0	+9	+2.5	+4.3
New York.....	65,307	248,301	185,248	9,702,937	148.57	39.08	+7	-1.1	+14.9	+16.7
North Carolina.....	24,817	98,271	75,775	1,799,469	72.51	18.31	+1.2	+1.7	+17.1	+22.3
North Dakota.....	1,688	6,361	4,916	232,221	137.57	36.51	+2	-2	-1.0	-7.6
Ohio.....	21,060	82,095	62,878	2,017,492	95.80	24.58	+1.5	+1.4	+15.0	+15.0
Oklahoma.....	16,732	57,520	43,734	1,673,855	100.04	29.10	+6	-2	+5.1	+21.9
Oregon.....	5,185	18,715	14,105	742,853	143.27	39.69	+1.4	+2.2	+29.0	+33.5
Pennsylvania.....	38,678	151,843	115,574	4,567,401	118.09	30.08	+8	+1.4	+26.8	+28.4
Puerto Rico.....	47,642	174,551	140,206	656,012	13.77	3.76	+8	+1.4	+17.6	+17.7
Rhode Island.....	4,480	16,065	11,975	554,064	123.68	34.49	-2	+7	+24.0	+25.4
South Carolina.....	9,447	37,405	29,355	526,770	55.76	14.08	+9	+8	+13.1	+12.8
South Dakota.....	3,064	10,451	7,908	289,972	94.64	27.75	+4	+1.0	+7.0	+17.4
Tennessee.....	20,025	73,734	55,513	1,379,242	68.88	18.71	+9	+9	+5.8	+11.6
Texas.....	26,614	109,587	83,292	1,900,585	71.41	17.34	+1.2	+1.3	+12.6	+12.3
Utah.....	3,218	11,389	8,493	396,277	123.14	34.79	+9	-2.0	+13.4	+20.1
Vermont.....	1,133	3,972	2,990	105,262	92.91	26.50	+2.5	+2.5	+3.2	+5.4
Virgin Islands.....	229	834	703	7,785	34.00	9.33	-2	+4	-16.2	-16.1
Virginia.....	9,170	36,737	28,766	685,772	74.78	18.67	-1	+6	+3.5	+5.8
Washington.....	11,578	40,068	29,773	1,763,527	152.32	44.01	+9	+2.1	+20.3	+24.6
West Virginia.....	19,093	73,469	57,193	1,730,159	90.62	23.55	+1.6	+1.4	+7.0	+13.2
Wisconsin.....	8,314	30,141	22,641	1,303,931	156.84	43.26	+1.1	+2	+5.8	+6.2
Wyoming.....	712	2,519	1,903	92,004	129.22	36.52	-2.3	-1.9	+8.4	+19.6

<sup>1</sup> For definition of terms see the *Bulletin*, October 1957, p. 18. All data subject to revision.

<sup>2</sup> Includes as recipients the children and 1 parent or other adult relative in families in which the requirements of at least 1 such adult were considered in

determining the amount of assistance.

<sup>3</sup> In addition, supplemental payments of \$281,100 were made from general assistance funds to 6,300 families.

**Table 14.—Aid to the permanently and totally disabled: Recipients and payments to recipients, by State, May 1958<sup>1</sup>**

[Includes vendor payments for medical care and cases receiving only such payments]

State	Number of recipients	Payments to recipients		Percentage change from—			
		Total amount	Average	April 1958 in—		May 1957 in—	
				Number	Amount	Number	Amount
Total.....	309,502	\$18,704,455	\$60.43	+1.5	+1.2	+9.8	+12.0
Ala.....	12,725	424,300	33.34	+8	+1.1	-8	-7.6
Ark.....	6,877	257,428	37.43	+1.6	+12.8	+3.3	+21.3
Calif.....	2,832	217,887	76.94	+14.1	+12.2		
Colo.....	5,475	332,520	60.73	+5	+1.1	+2.4	+4.2
Conn.....	2,052	241,781	117.83	-1.0	-1.6	-7.6	-6.5
Del.....	292	18,672	63.95	-1.0	( <sup>2</sup> )	-21.7	-20.6
D. C.....	2,412	160,528	66.55	-8	-1.9	-2.2	-1.6
Fla.....	6,268	361,212	57.63	0	+1	+15.8	+25.4
Ga.....	15,241	713,011	46.78	+2.0	+2.0	+13.8	+13.3
Hawaii.....	1,111	71,373	64.24	-7	-6	-10.8	-4.3
Idaho.....	941	61,399	65.25	+7	+7	+1.1	+1.4
Ill.....	16,813	1,362,539	81.04	+7.2	+8.6	+33.2	+34.2
Kans.....	4,276	331,482	77.52	-6	+1.1	+1.8	+4.5
Ky.....	7,295	280,130	38.40	+2.0	+2.1	+99.4	+101.9
La.....	14,889	750,362	50.40	+4	+4	+3.2	+3.8
Maine.....	1,373	86,701	63.15	+4.6	+6.5	+41.1	+44.7
Md.....	5,053	321,748	63.67	+4	+7.8	+2.6	+12.1
Mass.....	9,502	1,115,220	117.37	+2	-1.1	-2.3	+3.3
Mich.....	3,459	288,764	83.48	+2.1	+2.2	+20.5	+21.2
Minn.....	1,880	112,979	60.10	+1.2	+1.1	+17.4	+21.6
Miss.....	6,427	190,007	29.56	+2.8	+2.9	+43.2	+71.9
Mo.....	15,004	844,021	56.25	+4	+3	+4.3	+3.2
Mont.....	1,458	100,099	68.66	+3	+1	-3.4	-4.5
Nebr.....	1,430	98,465	68.86	+1.8	+3.5	+5.5	+28.3
N. H.....	332	28,285	85.20	+9	+1.6	+3.4	-8
N. J.....	5,106	464,112	90.90	+1.3	+8	+8.7	+9.2
N. Mex.....	2,000	113,294	56.65	+6	+7	+9.2	+12.3
N. Y.....	39,038	3,616,985	92.65	+5	-5	+1	+2.5
N. C.....	16,182	687,806	42.50	+1.6	+1.8	+8.9	+16.0
N. Dak.....	1,033	99,586	96.40	+1	+10.6	+4	+1.4
Ohio.....	9,340	555,223	59.45	+7	-10.4	+1.4	+13.0
Okla.....	8,225	624,337	75.91	+8	+1	+11.1	+12.5
Oreg.....	4,267	381,067	89.31	+1.4	+6	+19.8	+13.2
Pa.....	15,186	899,784	59.25	+1.3	+1	+14.0	+13.7
P. R.....	21,072	184,938	8.78	+1.1	+1.1	+4	+5
R. I.....	2,318	177,959	76.77	+1.5	+2.0	+38.9	+35.9
S. C.....	7,757	269,928	34.80	+2	+2	-2.2	-2.2
S. Dak.....	982	51,498	52.44	+7	+9	+7.4	+17.8
Tenn.....	5,509	232,197	42.15	+4.8	+5.8	+36.5	+45.3
Tex.....	2,576	120,977	46.96	+19.8	+19.5		
Utah.....	1,908	128,384	67.29	-4	-3	+6.8	+5.9
Vt.....	704	37,445	53.19	+3.7	+3.8	+17.3	+24.0
V. I.....	103	2,090	20.29	+3.0	+3.1	-1.0	+1.8
Va.....	5,604	235,673	42.05	+9	+1.3	+1.8	+1.7
Wash.....	5,837	572,181	98.03	+1.3	+1.8	+9.0	+2.3
W. Va.....	7,582	295,341	38.95	+1	+8	-9.0	+2.9
Wis.....	1,242	146,132	117.66	-1.0	-1	-1.4	+5.1
Wyo.....	514	36,605	71.22	-2	+3.5	-2.8	+7.4

<sup>1</sup> For definition of terms see the *Bulletin*, October 1957, p. 18. All data subject to revision.

<sup>2</sup> Increase of less than 0.05 percent.

<sup>3</sup> In addition, supplemental payments of \$50,847 from general assistance funds were made to 2,119 recipients.

**Table 15.—General assistance: Cases and payments to cases, by State, May 1958<sup>1</sup>**

[Excludes vendor payments for medical care and cases receiving only such payments]

State	Number of cases	Payments to cases		Percentage change from—			
		Total amount	Average	April 1958 in—		May 1957 in—	
				Number	Amount	Number	Amount
Total <sup>2</sup> .....	432,000	\$26,454,000	\$61.24	-4.8	-4.6	+39.7	+53.0
Ala.....	145	1,862	12.84	-17.1	-18.5	+33.0	+38.5
Alaska.....	193	13,412	69.49	-7.2	-1.1	+26.1	+48.7
Ariz.....	2,779	114,988	41.38	-16.2	-6.4	+24.2	+20.2
Ark.....	354	4,298	12.14	-19.0	-23.7	+9.9	+7.3
Calif.....	38,824	2,162,831	55.71	-15.9	-10.3	+27.4	+33.7
Colo.....	1,828	69,523	38.03	-23.4	-37.0	+16.1	+18.4
Conn.....	<sup>3</sup> 5,971	<sup>3</sup> 425,193	71.21	-6.7	-9.4	+89.4	+125.5
Del.....	1,856	123,916	66.77	-8.3	-9.1	+45.5	+56.7
D. C.....	1,098	74,857	68.18	+3.5	+3.7	+62.4	+67.3
Fla.....	8,800	278,000					
Ga.....	2,559	60,621	23.69	-4.9	-5.6	+10.8	+14.6
Hawaii.....	1,428	96,482	67.56	-1	+3.3	-3.6	+3.6
Ill.....	38,962	2,791,074	71.64	-4.6	-5.0	+30.4	+31.5
Ind. <sup>4</sup> .....	26,095	942,541	36.12	-1.8	-7.2	+96.2	+107.9
Iowa.....	4,037	141,694	35.10	-10.7	-16.3	+5.5	+17.3
Kans.....	2,054	117,061	56.99	-14.8	-18.6	+5.8	+5.6
Ky.....	2,979	111,461	37.42	-8.8	-11.6	+6.5	+23.2
La.....	10,343	456,900	44.17	+1.2	+1.0	+7.9	+6.2
Maine.....	2,941	125,170	42.56	-13.9	-16.4	+19.0	+39.6
Md.....	2,786	166,266	59.68	0	-1	+12.4	+18.8
Mass.....	10,135	709,248	69.98	-4.4	-7.3	+13.1	+30.6
Mich.....	41,933	3,822,912	91.17	-5.5	+3.1	+92.3	+116.8
Minn.....	8,151	532,630	65.35	-7.4	-10.2	+30.0	+48.2
Miss.....	910	12,762	14.02	-8.0	-6.3	-7	-1
Mo.....	7,081	388,886	54.92	-1.5	-1.9	-2.3	+7.3
Mont.....	1,318	63,112	47.88	-29.0	-23.3	+120.4	+198.6
Nebr.....	1,303	53,711	41.22	-19.3	-21.7	+8.0	+16.4
Nev. <sup>4</sup> .....	800	18,000					
N. H.....	1,416	75,278	53.16	-9.2	-17.2	+55.3	+58.4
N. J. <sup>5</sup> .....	11,940	1,105,609	92.60	-5.2	-4.8	+60.2	+75.5
N. Mex.....	585	21,006	35.91	-5	+2.4	+25.3	+28.8
N. Y.....	<sup>6</sup> 37,443	3,143,607	83.96	-3.9	-7.2	+36.7	+45.8
N. C.....	3,028	69,454	22.94	-12.7	-11.4	+19.2	+22.0
N. Dak.....	438	21,902	50.00	-24.4	-27.7	+16.2	+23.8
Ohio <sup>7</sup> .....	47,381	2,995,588	63.22	+2	-9	+69.4	+95.3
Okla.....	8,113	108,838	13.42	+6	-3.4	+5.3	-10.2
Oreg.....	6,342	395,877	62.42	-7.7	-14.8	( <sup>8</sup> )	+29.7
Pa.....	29,202	2,014,525	68.99	-1.7	-1.6	+27.6	+35.1
P. R.....	1,726	11,624	6.73	+6.5	+8.7	+104.7	+31.7
R. I.....	4,175	275,551	66.00	+1.3	-5.8	+15.1	+10.4
S. C.....	1,565	36,192	23.13	-6.3	-1	-5	-3
S. Dak.....	1,157	40,002	34.57	-5.3	-8.2	-5.2	-9.6
Tenn.....	2,536	37,938	14.96	-9.5	-11.4	+21.1	+8.5
Tex. <sup>9</sup> .....	10,600	255,000					
Utah.....	2,849	157,974	55.45	-4.0	-12.9	+63.1	+43.3
Vt. <sup>9</sup> .....	1,550	80,000					
V. I.....	124	2,363	19.06	-2.4	-5.2	-6.8	-5.6
Va.....	2,483	89,656	36.11	-11.4	-9.1	+33.5	+36.5
Wash.....	17,038	1,114,045	65.39	-4.3	-7.2	+47.0	+46.0
W. Va.....	3,734	126,832	33.97	+27.3	+29.2	+77.1	+75.2
Wis.....	10,425	849,039	81.44	-6.8	-9.8	+39.8	+51.6
Wyo.....	457	23,701	51.86	-20.0	-26.6	+31.7	+33.4

<sup>1</sup> For definition of terms see the *Bulletin*, October 1957, p. 18. All data subject to revision.

<sup>2</sup> Partly estimated; does not represent sum of State figures because total excludes for Indiana and New Jersey an estimated number of cases receiving medical care, hospitalization, and burial only and payments for these services. Excludes Idaho; data not available. Percentage changes based on data for 52 States.

<sup>3</sup> About 8 percent of this total is estimated.

<sup>4</sup> Partly estimated.

<sup>5</sup> Includes an unknown number of cases receiving medical care, hospitalization, and burial only, and total payments for these services.

<sup>6</sup> Includes cases receiving medical care only.

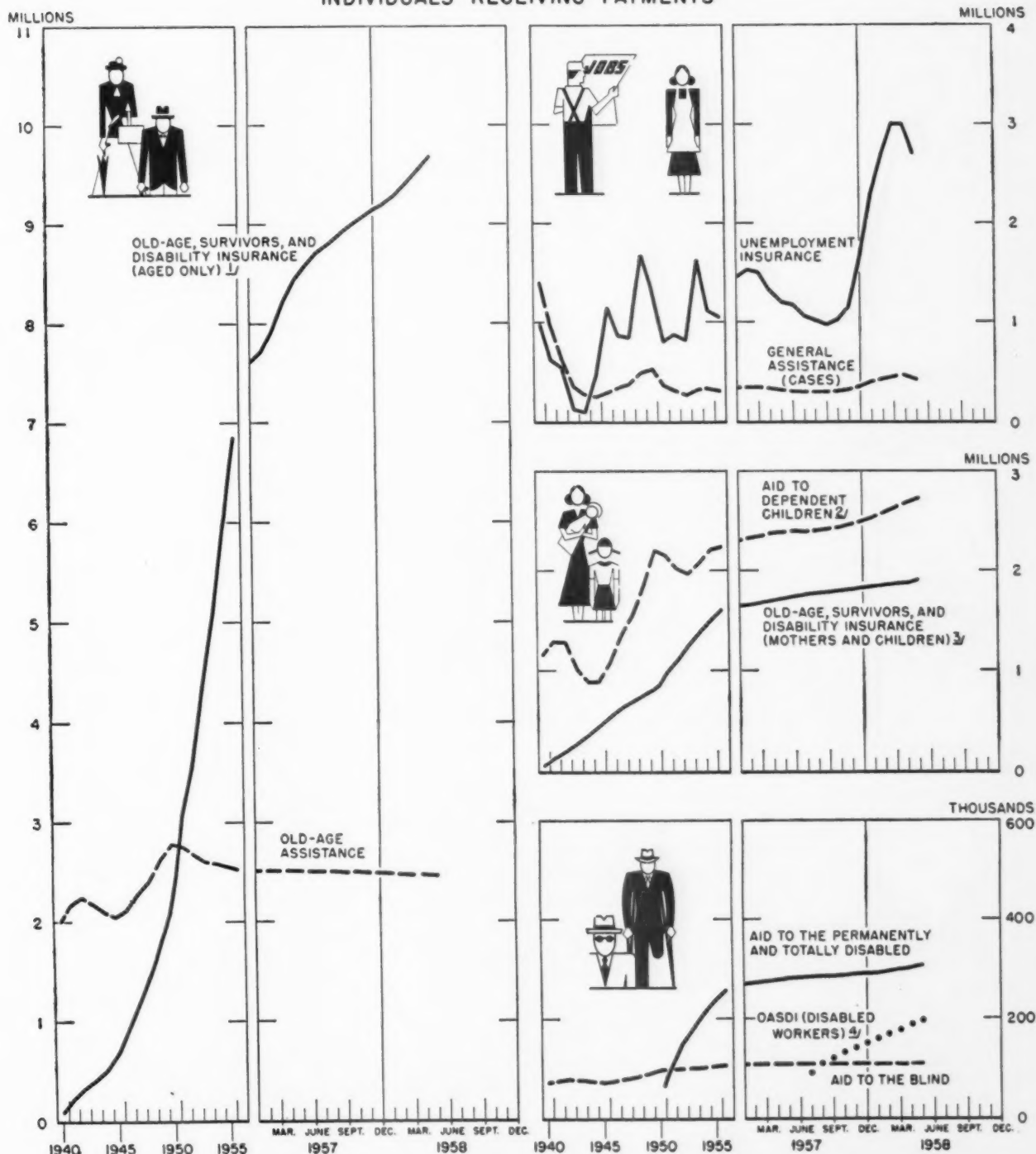
<sup>7</sup> Includes 8,854 cases and payments of \$340,851 representing supplementation of other assistance programs.

<sup>8</sup> Not computed; data not comparable.

<sup>9</sup> Estimated on basis of reports from sample of local jurisdictions.

# Social Security Operations\*

## INDIVIDUALS RECEIVING PAYMENTS



\* Old-age, survivors, and disability insurance: beneficiaries receiving monthly benefits (current-payment status); annual data represent average monthly number. Public assistance: monthly number of recipients under all State programs; annual data, average monthly number. Unemployment insurance: average weekly number of beneficiaries for the month under all State laws; annual data, average weekly number for the year.

<sup>1</sup> Receiving old-age, wife's or husband's, widow's or widower's,

NOTE: Data for payments and data for individuals receiving payments appear in alternate months.

or parent's benefit. Beginning September 1950, includes a small proportion of younger wife beneficiaries with child beneficiaries in their care.

<sup>2</sup> Children plus 1 adult per family when adults are included in assistance group; before October 1950 partly estimated.

<sup>3</sup> Beginning January 1957, includes some persons receiving "childhood disability" benefits.

<sup>4</sup> Disabled workers aged 50-64.



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